

HOUSE OF REPRESENTATIVES—Wednesday, April 8, 1987

The House met at 10 a.m., and was called to order by the Speaker pro tempore (Mr. FOLEY).

92, answered "present" 1, not voting 58, as follows:

[Roll No. 45]

YEAS—282

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
April 7, 1987.

I hereby designate the Honorable THOMAS S. FOLEY to act as Speaker pro tempore on Wednesday, April 8, 1987.

JIM WRIGHT,

Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Give us an appreciation, O God, of our responsibilities to be ambassadors of peace and stewards of justice in our lives and in the world. And give us also, O God, a deep sense of spiritual humility, for by so doing, we can see more clearly our own limitations and also the majesty of Your world. May Your providence allow us to recognize our dependence upon You and also what we can do with a new dedication for justice and for peace.

In Your name, we pray. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. KOLBE. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Chair's approval of the Journal.

The SPEAKER pro tempore. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. KOLBE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 282, nays

Ackerman	Ford (MI)	Mazzoli
Akaka	Ford (TN)	McCloskey
Alexander	Frank	McCurdy
Anderson	Frenzel	McDade
Andrews	Frost	McEwen
Anthony	Gallo	McHugh
Archer	Gejdenson	McKinney
Atkins	Gephardt	McMillan (NC)
AuCoin	Gibbons	McMillan (MD)
Baker	Gilman	Meyers
Ballenger	Glickman	Mfume
Barnard	Gonzalez	Miller (CA)
Bartlett	Gordon	Miller (WA)
Bateman	Grandy	Mineta
Bates	Grant	Moakley
Bellenson	Gray (IL)	Mollohan
Bennett	Gray (PA)	Montgomery
Bereuter	Green	Morella
Berman	Guarini	Morrison (CT)
Blaggi	Gunderson	Morrison (WA)
Bliley	Hall (OH)	Mrazek
Blirakis	Hall (TX)	Murphy
Boggs	Hamilton	Murtha
Boland	Hammerschmidt	Myers
Boner (TN)	Hansen	Nagle
Bonior (MI)	Harris	Natcher
Bonker	Hawkins	Neal
Borski	Hayes (LA)	Nelson
Bosco	Hefner	Nichols
Boucher	Herger	Nielson
Boxer	Hertel	Nowak
Brennan	Hillier	Oakar
Brooks	Hochbrueckner	Oberstar
Broomfield	Holloway	Olin
Bruce	Horton	Ortiz
Bryant	Houghton	Owens (UT)
Bustamante	Hubbard	Oxley
Callahan	Huckaby	Packard
Campbell	Hughes	Panetta
Cardin	Hutto	Pease
Carper	Hyde	Perkins
Chappell	Ireland	Petri
Clarke	Jeffords	Pickett
Clinger	Jenkins	Pickle
Coleman (TX)	Johnson (CT)	Porter
Collins	Johnson (SD)	Price (IL)
Combest	Jones (NC)	Price (NC)
Conte	Jones (TN)	Pursell
Cooper	Jontz	Quillen
Darden	Kanjorski	Rahall
Davis (MI)	Kasich	Ray
DeFazio	Kastenmeier	Regula
Derrick	Kennedy	Richardson
DeWine	Kennelly	Rinaldo
Donnelly	Kildee	Ritter
Dorgan (ND)	Kostmayer	Robinson
Dowdy	LaFalce	Rodino
Downey	Lagomarsino	Roe
Duncan	Lancaster	Rose
Durbin	Lantos	Rostenkowski
Dwyer	Leath (TX)	Rowland (GA)
Dymally	Lehman (CA)	Roybal
Dyson	Lehman (FL)	Russo
Early	Lent	Sabo
Eckart	Levin (MI)	Salki
Edwards (CA)	Levine (CA)	Savage
English	Lewis (FL)	Sawyer
Erdreich	Lewis (GA)	Saxton
Evans	Livingston	Schulze
Fascell	Lowry (WA)	Schumer
Fawell	Lujan	Sharp
Fazio	Lungren	Shaw
Feighan	MacKay	Shumway
Fish	Manton	Shuster
Flake	Markey	Sisisky
Flippo	Martin (NY)	Skaggs
Florio	Martinez	Skelton
Foglietta	Matsui	Slaughter (NY)
Foley	Mavroules	Smith (FL)

Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Solarz
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Stratton

Studds
Sweeney
Swift
Synar
Tallon
Tauzin
Taylor
Thomas (GA)
Torricelli
Traffant
Traxler
Udall
Valentine
Vander Jagt
Vento

Visclosky
Voikmer
Walgren
Watkins
Waxman
Weiss
Weldon
Whitten
Williams
Wolpe
Wortley
Wyden
Wyllie
Yates
Yatron

NAYS—92

Armedy
Badham
Barton
Bentley
Bliley
Boehrlert
Boulter
Brown (CO)
Buechner
Bunning
Burton
Chandler
Coats
Coble
Coleman (MO)
Courtner
Craig
Crane
Dannemeyer
Daub
Davis (IL)
DeLay
Dickinson
Dorman (CA)
Dreier
Edwards (OK)
Emerson
Fields
Gallegly
Gekas
Gingrich
Goodling

Gradison
Hastert
Hefley
Henry
Hopkins
Hunter
Inhofe
Jacobs
Kolbe
Konnyu
Kyl
Latta
Lewis (CA)
Lightfoot
Lott
Lowery (CA)
Lukens, Donald
Mack
Madigan
Marlenee
Martin (IL)
McCandless
McCollum
McGrath
Michel
Miller (OH)
Molinar
Moorhead
Parris
Pashayan
Penny
Ravenel

Rhodes
Roberts
Rogers
Roth
Roukema
Rowland (CT)
Schaefer
Schroeder
Sensenbrenner
Sikorski
Skeen
Slaughter (VA)
Smith, Denny
(OR)
Smith, Robert
(NH)
Smith, Robert
(OR)
Stump
Sundquist
Swindall
Tauke
Thomas (CA)
Upton
Vucanovich
Walker
Weber
Whittaker
Wolf
Young (AK)
Young (FL)

ANSWERED "PRESENT"—1

Obey

NOT VOTING—58

Annunzio
Applegate
Aspin
Bevill
Brown (CA)
Byron
Carr
Chapman
Cheney
Clay
Coelho
Conyers
Coughlin
Coyne
Crockett
Daniel
de la Garza
Dellums
Dicks
Dingell

DioGuardi
Dixon
Espy
Garcia
Gaydos
Gregg
Hatcher
Hayes (IL)
Howard
Hoyer
Kaptur
Kemp
Kleczka
Kolter
Leach (IA)
Leland
Lipinski
Lloyd
Luken, Thomas
Mica

□ 1020

Mr. INHOFE changed his vote from "yea" to "nay."

So the Journal was approved.

The result of the vote was announced as above recorded.

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

PERMISSION FOR SUBCOMMITTEE ON ENVIRONMENT, ENERGY, AND NATURAL RESOURCES OF COMMITTEE ON GOVERNMENT OPERATIONS TO SIT TOMORROW DURING THE 5-MINUTE RULE

Mr. SYNAR. Mr. Speaker, I ask unanimous consent that the Subcommittee on Environment, Energy, and Natural Resources be allowed to meet tomorrow during the 5-minute rule. This request has been cleared with the minority.

The SPEAKER pro tempore (Mr. GRAY of Illinois). Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

PERMISSION FOR THE FULL COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION AND THE SUBCOMMITTEE ON PUBLIC BUILDINGS AND GROUNDS OF THAT COMMITTEE TO SIT TODAY DURING THE 5-MINUTE RULE

Mr. SYNAR. Mr. Speaker, I ask unanimous consent that the Committee on Public Works and Transportation and the Subcommittee on Public Buildings and Grounds of that committee be permitted to sit today. This request has been cleared with the minority.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

ASSISTANCE FOR FEDERAL EMPLOYEE RICHARD COLE, JR.

(Mr. DYMALLY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DYMALLY. Mr. Speaker, today I am introducing a private relief bill for Mr. Richard Cole, Jr., of California.

Mr. Cole is an employee of the Internal Revenue Service. He was completely paralyzed after being injured off-the-job last month.

Mr. Cole's physicians expect that, following 6 to 8 months of intensive therapy in the hospital, he will be able to return to work.

However, Mr. Cole, who has four small children, has run out of sick and annual leave to carry him through this difficult situation.

My bill would permit Mr. Cole's co-workers, at the LaGuna Niguel IRS Office, to transfer leave time to Mr. Cole. The donated leave would, of course, be subtracted from the lending employee's account.

Mr. Speaker, when a Federal employee is in need of help, and his co-workers want to assist, the least we

can do in Congress is to permit this leave sharing through legislation.

I hope my colleagues will support this effort.

LEGISLATION INTRODUCED TO LIMIT LIABILITY IN SPORTS-RELATED LAWSUITS

(Mr. GEKAS asked and was given permission to address the House for 1 minute.)

Mr. GEKAS. Mr. Speaker, spring is here and that means that baseball is here and that means that there will be thousands of youngsters engaging in Little League contests across the Nation in the next several months.

Also, thousands of our constituents, volunteer coaches and managers will be subjected to frivolous lawsuits as we have seen in the last few years and we want to do something about it. We have got to encourage, not discourage, this component of American life.

As a result, I am introducing legislation today, as we did in the last session, which will limit the liability of volunteers in the sports field and in many other endeavors across the Nation. We need this kind of legislation to make sure that the volunteers will keep coming in our country. Our entire Nation is based on voluntarism.

TEXAS EASTERN GAS PIPELINE

(Mr. YATRON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. YATRON. Mr. Speaker, 2 months ago we all heard news reports regarding the illegal dumping of PCB's along the Texas eastern pipeline. This serious environmental pollution threatens countless Americans—including many of my constituents near the Bechtelsville, PA site on the Texas eastern pipeline. EPA has known of the dumping since 1981, but we saw little action until the release of these news reports. Inaction on EPA's part is a cause for concern and I for one would like to see a better explanation for their failure to act. Finally, since the release of this information, a number of remedial steps have been taken by EPA and various State agencies. Nonetheless, further action is necessary. Improved and more in-depth information should be released and cleanup efforts should begin immediately. Steps must be taken to ensure that these abuses will not be repeated in the future. We must spare no effort in eliminating the sources of this contamination and in providing security for those Americans affected by this grave environmental threat.

THE ULTIMATE IN TAXATION WITHOUT REPRESENTATION

(Mr. INHOFE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. INHOFE. Mr. Speaker, I rise today to express my opposition to House Concurrent Resolution 93, the first 1988 budget resolution to be considered this year.

The recommendations contained in the pending budget resolution offer no new initiatives to cut the deficit or trim excessive Federal spending. Instead, the democratic leaders who drafted the resolution simply offer a return to their previous practices of raising taxes and rejecting necessary spending reform put forth by the President. Not only does the House Budget Committee resolution fail to meet the deficit targets established by the Gramm-Rudman law, it also fails to hold the line on taxes. According to estimates, House Concurrent Resolution 92, would cost taxpayer's an additional \$30 billion in new taxes in 1988.

There are many false claims being made about the impossibility of reducing Federal spending to cut the deficit to \$108 billion in 1988. In fact, many so-called experts have told Congress that such a task requires either tax increases or draconian cuts in vital Federal programs. I disagree with such statements and believe that real progress can be made if Congress re-evaluates some of the reforms that President Reagan recommended back in January of this year when he submitted his fiscal year 1988 budget.

The complexity of the Federal budget process makes it difficult for many Americans to decipher fact from fiction. Recent newspaper articles report that large spending cuts contained in the President's budget would drastically reduce services to many groups across the country. But the supposed "cuts" refer to "what would have been spent" based on last year's actual spending levels. In reality, the President's budget would increase total outlays by \$7.5 billion, including an \$11.5 billion rise in Social Security spending over 1987 levels.

The budget resolution also fails in the area of national defense. If Congress adopts this resolution, funding for America's defense would be cut by \$9 billion; about \$7 billion below what is needed to keep up with inflation. This comes at a time when the Soviet Union defense buildup continues unchecked. Last week, Secretary Weinberger highlighted advances made by the Soviet Union in their quest for world domination. The Soviet Union spends more than 15 percent of their gross national product [GNP] on defense while only 6 percent of the United States budget is allocated for national defense. Moreover, the Soviet

Union's arsenal continues to out pace ours in most areas and poses a serious threat to our security.

The President's defense budget requests a 3-percent real growth for fiscal years 1988 and 1989. This modest increase over the amount approved for fiscal year 1987 will not recover the ground lost by a 7-percent real decrease in defense spending Congress has imposed in the last 2 years. However, the President's budget will regain the momentum of our modernization program, and protect the investments we have already made in our future security.

I believe the highest priority of the Federal Government is to provide for a sound national defense to protect the American people. The resolution being considered today fails to provide the necessary funding for a strong national security and for that reason, I will vote against it. I urge my colleagues to support the amendments being offered by the Republican leadership to produce a more responsible budget.

Mr. Speaker, over 20 years ago in one of the great speeches of recent history, a rendezvous with destiny, Ronald Reagan told us "there is nothing closer to immortality on the face of the earth than a government program once installed."

For many years, three terms, I served as mayor of one of America's great cities, Tulsa, OK. I found out what Ronald Reagan meant when he made that statement. But difficult as it was, and unpopular at the time, we did it. We operated a major city on essentially the same budget for 6 years without sacrificing services. It wasn't easy, but nobody said it would be easy. What is easy is to spend and tax, spend and tax and let future generations pay for it.

But, Mr. Speaker, I am not going to be a party to placing this unbearable burden on the shoulders of future generations—the ultimate in taxation without representation. We have an opportunity to reverse the fiscal insanity that has brought us this unconscionable deficit. I urge my colleagues to join me in this effort.

□ 1030

A BUDGET BILL WE CAN ALL SUPPORT

(Mr. CARDIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CARDIN. Mr. Speaker, I want to use this opportunity to congratulate Chairman BILL GRAY of the Budget Committee for bringing forward to this House a budget that we all can support. Compared to the President's budget, the committee budget provides for more real deficit reduction. But

just as importantly, it sets the right priorities.

If you are interested in health care, and the people of my Third District of Maryland are certainly interested in health care, the President's budget reduces the Medicaid budget by \$1.3 billion. Baltimore has 180,000 recipients of Medicaid.

The committee budget would increase by \$1.2 billion the programs in health care for Medicaid recipients, as well as AIDS victims and the homeless. If you are interested in education, and the people in my district are interested in education, the President's budget would reduce Pell grants and campus-based aid programs by 50 percent.

The committee budget continues these very important programs.

If you are interested in community development, and the people of my district are interested in community development, the President's budget would reduce CDBG programs by 16 percent and eliminate the UDAG programs.

Mr. Speaker, those programs have been very successful in Baltimore. The UDAG program alone has leveraged for one-half of a billion dollars in private investment, creating 7,500 permanent jobs for the people of my city.

By any yardstick, when you compare the President's budget to the committee budget, the President's budget comes up short.

RESOLUTION IN SUPPORT OF NEW DÉTENTE CENTER IN MOSCOW

(Mr. DREIER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER of California. Mr. Speaker, we seem to have a problem in Moscow. Apparently, the KGB has loaded our new Embassy with more hi-fi equipment than a college dormitory. In fact, it is so bad that the President and several of my colleagues have suggested bulldozing the whole structure into the swamp where it is built.

Frankly, while demolition sounds like a good idea, it might be considered a bit primitive and threatening to the warm relations we are now experiencing with the Kremlin. America prides itself on creativity. Certainly we can think of something better than just tearing down 19 million dollars' worth of construction. If nothing else, we might donate it to the Soviet rock'n'-roll industry as a recording studio.

Personally, I think we should not abandon the Embassy. Rather I think we should donate it to the neighboring Moscow University as a graduate studies center dedicated to the achievements of détente. I can already see a required course curriculum including classes on human rights, the Helsinki

agreement, Afghanistan, arms control, and Jewish immigration not to mention a special course in electronic engineering. We could also have endowed chairs with names such as Shkarov, Shcharansky, and Wallenberg to name a few.

Mr. Speaker, I will be introducing a resolution in support of the new détente center and urge my colleagues cosponsorship.

SHARING RESOURCES FOR BETTER LIBRARY SERVICES

(Mr. RAVENEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RAVENEL. Mr. Speaker, the Library Services and Construction Act was enacted to encourage libraries to develop cooperative programs for sharing resources among all libraries. The South Carolina State library system has developed the South Carolina library network this year to give libraries throughout our State immediate access to the collection in the State library through this online automated system. Requests for books and information by local libraries can be made using an electronic mail feature.

The South Carolina library network, which will eventually link other libraries, is mostly funded by LSCA, title III. For other libraries to create machine readable files for participation in this network, additional funding is needed. Hopefully, this will provide a sharing of resources for better library services at lower costs to the individual.

DEMOCRACY WITH A BIG "D" AND WITH A SMALL "d"

(Mr. SAVAGE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SAVAGE. Mr. Speaker, I just rise to mention that democracy was on trial in my good city of Chicago, IL, on yesterday, democracy with a big "D" and with a small "d." It was on trial because on the big "D," meaning the Democratic Party, there had come a division within our party where some of its leaders wanted to deny the reelection of a Democratic mayor, not because of his record, but because of his race. That also affects democracy with a small "d" because the way to eliminate race as a major factor in the plight of so many of our Americans is not to count it when the time comes for us to take a position.

I want to say that Paul Kirk, chairman of the Democratic National Committee, came in along with the leaders of his party to stand for democracy with both a big "D" and a small "d," and as a consequence I am feeling good

this morning because both won by a substantial margin in the reelection of Harold Washington, former Member of this body, as mayor of Chicago.

On the way to the airport this morning I discovered to my great pleasure that the Sears Tower is still standing, the rapid transit systems were still running, the streetlights were on, the curbs were being paved, garbage was being collected.

Chicago is still doing well on the lake, on the side of Lake Michigan, under the second and great administration of Harold Washington, the mayor.

SUPPORT WHO EFFORTS TO CONTROL AIDS

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, over the last few years, we have heard many alarming reports on the continuing spread of AIDS. While the United States leads the world in the number of officially reported AIDS cases, experts agree that millions of cases have gone unreported in the Third World.

Best estimates show that more than 50,000 people have died from the disease with another 5 to 10 million already infected in more than 95 countries. Projections show that between 50 to 100 million people will be infected by 1990. Clearly, AIDS poses one of the greatest threats to public health in all history.

Many countries are inadequately prepared to respond to the need for preventive measures, such as public education and blood screening, which are the best ways to help stop the spread of the virus.

The World Health Organization [WHO] has taken the lead in coordinating international efforts to combat the spread of this disease through their special program on AIDS. U.S. support for their efforts today can help to save millions of lives including those of Americans tomorrow.

□ 1040

A BUDGET WE CAN SUPPORT

(Mr. MacKAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MacKAY. Mr. Speaker, the House will begin debate today on the 1988 budget. I rise as a member of the Budget Committee, a moderate Democrat, urging moderate and conservative members of both parties to take a close look at this budget. I believe if they do they will see that it is a budget that they can support.

It carries out the thrust of Gramm-Rudman in the sense that it continues the effort toward deficit reduction. It

does it with real cuts. It does it without asset sales.

One of the main issues that was debated, and debated very heatedly, was the question of whether under Gramm-Rudman we can set priorities, whether we can set spending priorities, and if so, whether we can do that without incurring additional taxes to fund those priorities. That was a very difficult issue debated at great length in committee. In fact, we have set new priorities, \$1.4 billion of new priorities, and that money was taken by additional cuts out of lower priority programs, not additional taxes.

I think that that is an important precedent, and a precedent that is important to moderates and conservatives on both sides.

I hope that this budget will be looked at carefully. The timeframe is very compressed this year. I believe that if we look at it carefully and consider the alternatives, we will realize that this is a budget that we can support that keeps us going in the direction that Gramm-Rudman has pointed us.

WE MUST PASS LEGISLATION TO CONTROL THE SPREAD OF AIDS

(Mr. BURTON of Indiana asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURTON of Indiana. Mr. Speaker, in Boston, MA, last week, at 2 o'clock in the morning in the red-light district, two policemen picked up a lady of the evening getting into a Mercedes Benz. They pulled her out of the car and they took her down to the police department and booked her, and on her wrist they noticed a plastic band. They asked her what the plastic band was for, and she said, "I was in the hospital. I just left."

They said, "What were you in the hospital for?" She said, "AIDS."

They said, "My God, do you realize that you may be out there affecting somebody, maybe killing somebody?"

She retorted, "I don't care."

She was a junkie who wanted a fix, and she went out on the street to ply her trade to get \$30 or \$50 so she could get another shot of heroin.

This woman, while she was being booked, rolled down her socks, and there were open sores oozing because she was in terminal AIDS, and had other diseases related to that. This woman was booked, kept overnight, and the next morning she was released on bond and went right back out on the street and infected other human beings in the United States of America, and probably will kill some of them.

We have legislation before this body to deal with this, the gentleman from California [Mr. DANNEMEYER] and I, and we must pass this legislation. This

epidemic is spreading at a very rapid rate, 5,000 to 10,000 people a day are getting it, and it is going to kill at least 50 percent of them.

We have no time to dillydally. We need to get on with the business of passing these bills.

HOW TO DEAL WITH THE EMBASSY PROBLEM

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, there was an eloquent speech here by a gentleman from Chicago which talked about Mayor Washington's victory as being symbolic and representing those comments by referring to the big "D" for democracy.

I want to talk today about the big "S" for stupidity. The President said yesterday, "I haven't changed my position on the Soviet Union since 10 years ago. I'm not surprised about the bugging over there at the Embassy by the Soviets in Moscow, and certainly I've been telling everybody this for years."

Let us get serious. This is the same President who said that we should spend a trillion dollars on star wars, then after we develop it, we should give it to the Soviets for the sake of world peace.

This is the same administration that allows 200 Soviet workers in our Embassy, but we can only have 3 workers in their Embassy.

These dumb foreigners built their Embassy on the highest site in Georgetown so they could look down and eavesdrop right in his House today, and they have us build ours in a hole.

I think that it is not time now for five more investigations. I think that it is time for action.

Here is what Congress should do. No. 1, the Soviet Union should compensate us for that Embassy if we can prove beyond a reasonable doubt that they bugged it, and, No. 2, give us a new site. Failing to do that, get out of town, Russia, and maybe we will start a program that will show some foreign relations that have not just gone to the dogs, just has a few bugs on it.

DEMAND ACTION FROM SOVIETS ON EMBASSY SITUATION

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, I want to commend my colleague from Ohio and also my colleague from California who earlier recommended that we turn over our Embassy that is under construction now in Moscow to the Soviets as a détente center.

Mr. Speaker, this morning driving in we were talking about the fact that the defense budget of this country has been running in the arena of some \$300 billion annually in recent years, and that the target and the reason that we have always been given is the Soviet threat, the threat of a Communist world.

I have always supported strong defense, 100-percent voting, and will always do so. However, when we learn all that we have in recent days about what is happening regarding the wiring of what was to have been our new Embassy in Moscow, and that the Soviets are already living in the quarters of their new facility on the highest hill in the District of Columbia, and have been so since 1979, and since then have had surveillance on our defense and executive installations, I ask myself, "Why are we spending so much money for defense, when we are giving it all away?"

I hope that President Reagan will demand that the Soviets move out of those living quarters of the new facility immediately and we are given the opportunity to remove all of that surveillance equipment there, and that we either bulldoze this disgracefully wired edifice in Moscow or contribute it, as the gentleman from California [Mr. DREIER] recommended, to the U.S.S.R. as a détente center, or we will have to reconsider our entire defense budget and posture.

WHY DO DEMOCRATS DEMAND A REPUBLICAN ALTERNATIVE BUDGET?

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN of California. Mr. Speaker, if you recall, last year the House Democratic leadership forced a vote on the Reagan fiscal year 1987 budget without offering an alternative of their own. The Democrats knew the Reagan budget would be defeated but could not resist the opportunity to demagog the President.

Did any of my Democratic colleagues speak out against such a blatantly political tactic? Not that I can recall. Yet now, even though they are the majority party and can thus pass whatever budget they want, the Democrats are outraged that Republicans would use a similar tactic to put the majority budget in the hot seat.

Just yesterday, for example, one of my colleagues from Massachusetts was unrestrained in his condemnation of House Republicans, saying we were abrogating our responsibility by not offering a substitute.

But Mr. Speaker, why is it necessary that Republicans offer an alternative budget? We didn't offer one in fiscal year 1983. Why this Democratic preoc-

cupation with a Republican alternative, an alternative they never vote for? Is it so the Democrats have something besides the administration budget to demagog?

The only use the Democrats have previously had for Republican alternatives is a foil to hide the gross inadequacies in their own budgets. Let's face facts, Mr. Speaker, in this body a Republican budget has about as much change of passage as an administration budget. Do the Democrats really want our participation? No. Do they really want to consider our ideas? Of course not. What they do want, however—especially this year—is someone to share the blame for their absurd, two-page budget.

But Republicans aren't going to play that game anymore. We have refused to become a party to Democratic efforts to raise taxes and gut defense. That is something the Democrats will have to do all by themselves.

Even if Republicans were to offer an alternative, only one budget will pass the House this year, Mr. Speaker, and it will be the committee budget. So instead of railing at Republicans for some imaginary abrogation of responsibility, the Democrats should begin publicizing which taxes they plan to raise.

NATIONAL MINORITY CANCER AWARENESS WEEK

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 119) designating the week of April 19, 1987, through April 25, 1987, as "National Minority Cancer Awareness Week," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore (Mr. GRAY of Illinois). Is there objection to the request of the gentleman from California?

Mrs. MORELLA. Reserving the right to object, Mr. Speaker, I do not object, but simply would like to inform the House that the minority has no objections to the legislation now being considered.

Mr. DYMALLY. Mr. Speaker, will the gentlewoman yield?

Mrs. MORELLA. Mr. Speaker, under my reservation of objection, I yield to the gentleman from California [Mr. DYMALLY], who is the chief sponsor of House Joint Resolution 119, designating the week of April 19, 1987, through April 25, 1987, as "National Minority Cancer Awareness Week."

Mr. DYMALLY. I thank the gentleman for yielding.

Mr. Speaker, I am aware of the time constraints that we have today, and I normally would enter this statement

in the RECORD, but some questions have been raised about whether we want to focus attention on minority cancer week, and I think that it would be appropriate for me to respond to those questions.

□ 1050

Mr. Speaker, as the sponsor of House Joint Resolution 119, and the chairman of the Subcommittee on Census and Population, I am pleased to bring this bill before the House under unanimous consent.

House Joint Resolution 119 designates the week of April 19 through April 25 as "National Minority Cancer Awareness Week."

This resolution draws attention to an unfortunate, but extremely important, fact about cancer. While cancer affects men and women of every age, race, ethnic background, and economic class, the disease has a disproportionately severe impact on minorities and the economically disadvantaged.

For example, the incidence of cancer, overall, among blacks, Hispanics, and the poor, is higher in comparison to the general population. And while the overall cancer survival rate is improving steadily, the survival rate among blacks and Hispanics has declined.

Accurate data does not exist for cancer rates among other minority groups, but it is likely that groups such as native Americans also suffer disproportionately from this deadly disease.

The National Cancer Institute has established a goal to reduce the cancer mortality rate in the United States to 50 percent by the end of this century. While this is an ambitious goal, it is certainly achievable if we apply present technology and research to all communities on an equal basis.

The designation of "National Minority Cancer Awareness Week" will promote increased awareness of prevention and treatment among those segments of the population which are at higher risk of contracting cancer.

It will also give physicians, nurses, other health care professionals, and researchers an opportunity to focus on the populations at risk, and to develop creative approaches to attacking cancer problems unique to these communities.

In fact, the National Medical Association, the American Medical Association, and the American Cancer Society have both endorsed this resolution as a means of drawing attention to the problem of cancer among minorities and the poor.

I am pleased to note that, during the third week of April, the University of Texas System Cancer Center M.D. Anderson Hospital and Tumor Institute, located in Houston, will sponsor a na-

tional symposium on cancer and minorities.

The largest undertaking of its kind, this conference will bring together leading cancer specialists, health care professionals, and lay people, to address a public health problem of major importance.

As we continue to assess our progress in preventing and treating cancer, let us take 1 week to focus on the impact of cancer among people at greater risk—minorities and the economically disadvantaged.

If we successfully fight the battle on this most dangerous front, we will go a long way toward winning the war against cancer.

Mr. Speaker, in conclusion, I hope that my explanation here answers the questions about whether we should focus specifically on minorities in this week, in this month, when we are looking at the whole question of cancer. I think the arguments given by the American Medical Association, the National Medical Association, and the Cancer Society address this problem.

Mr. Speaker, I thank the gentleman from Maryland [Mrs. MORELLA] and the Chair for his courtesy in permitting me this opportunity to present this important resolution.

Mrs. MORELLA. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. GRAY of Illinois). Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. Res. 119

Whereas the month of April each year is designated as National Cancer Month for the purpose of promoting increased awareness of the causes, types, and treatments of cancer;

Whereas the National Cancer Institute has recognized that significant differences exist in the incidence of cancer and survival rates for cancer patients between minority and economically disadvantaged communities in the United States and the population in general;

Whereas increased awareness of the causes of cancer and available treatments will help reduce cancer rates among minorities and the economically disadvantaged through preventive measures and will improve survival rates for cancer patients through early diagnosis;

Whereas a comprehensive national approach is needed to increase awareness about cancer among minorities and economically disadvantaged persons, and to encourage health care professionals, researchers, and policy makers to develop solutions to the cancer-related problems unique to these communities; and

Whereas focusing public attention on cancer in minority and economically disadvantaged communities during one week so designated will have a positive impact on preventive health care and treatment in these communities; Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of

April 19, 1987, through April 25, 1987, is designated as "National Minority Cancer Awareness Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States and all Federal, State, and local government officials to observe the week with appropriate programs and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Joint Resolution 119, the joint resolution just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

PROVIDING FOR CONSIDERATION OF HOUSE CONCURRENT RESOLUTION 93, CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1988

Mr. DERRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 139 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 139

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the concurrent resolution (H. Con. Res. 93) setting forth the congressional budget for the United States Government for the fiscal year 1988, 1989, and 1990, and the first reading of the resolution shall be dispensed with. After general debate, which shall be confined to the concurrent resolution and shall continue not to exceed six hours, with not to exceed four hours to be equally divided and controlled as provided in section 305(a)(2) of the Congressional Budget Act of 1974, as amended (Public Law 93-344, as amended by Public Law 99-177), and not to exceed two hours to be equally divided and controlled as provided in section 305(a)(3) of the Congressional Budget Act of 1974, as amended, the concurrent resolution shall be considered as having been read for amendment under the five-minute rule. No amendment to the concurrent resolution shall be in order except the amendments printed in the report of the Committee on Rules accompanying this resolution, said amendments shall be considered in the order designated and shall be considered as having been read, and each of said amendments shall be debatable for not to exceed one hour, to be equally divided and controlled by the Member offering said amendment and a Member opposed thereto, said amendments shall not be subject to amendment, and each said amendments shall be in order even if a previous amendment in the nature

of a substitute has been adopted, and all points of order against said amendments for failure to comply with the provisions of the third sentence of clause 8 of rule XXIII are hereby waived. If more than one of the amendments in the nature of a substitute made in order by this resolution has been adopted, only the last such amendment which has been adopted shall be considered as having been finally adopted in the Committee of the Whole and reported back to the House. It shall also be in order to consider the amendment or amendments provided in section 305(a)(5) of the Congressional Budget Act of 1974, as amended, necessary to achieve mathematical consistency. At the conclusion of the consideration of the concurrent resolution for amendment, the Committee shall rise and report the concurrent resolution to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the concurrent resolution to final adoption without intervening motion.

The SPEAKER pro tempore. The gentleman from South Carolina [Mr. DERRICK] is recognized for 1 hour.

Mr. DERRICK. Mr. Speaker, I yield the customary 30 minutes, for purposes of debate only, to the gentleman from Ohio [Mr. LATTI], and pending that I yield myself such time as I may consume.

Mr. Speaker, House Resolution 139 is a modified closed rule providing for consideration of House Concurrent Resolution 93, the concurrent resolution on the budget for fiscal year 1988. The rule provides 4 hours of general debate which shall be divided equally between the majority and minority parties. General debate will be followed by up to an additional 2 hours of debate which will be devoted to economic goals and policies pursuant to section 305(a)(3) of the Budget Act.

I would like to stress, Mr. Speaker, that the budget this rule makes in order, House Concurrent Resolution 93, is the fiscal year 1988 budget which would result if we are unable to reach agreement on a budget and sequestration were to take place. This resolution was chosen as the base vehicle for the budget debate because it vividly portrays where we will be if we fail to act responsibly on the budget. All of the budget substitutes I will next discuss, including the recommendations of the House Budget Committee will, therefore, be offered as amendments to the sequestration-level budget.

The rule makes in order four amendments in the nature of substitutes to House Concurrent Resolution 93. The four substitutes are as follows:

An amendment in the nature of a substitute consisting of the text of House Concurrent Resolution 92, the President's budget proposal, to be offered by any Member;

An amendment in the nature of a substitute to be offered by Representative DANNEMEYER of California, or his designee;

An amendment in the nature of a substitute consisting of the recommendations of the Congressional Black Caucus, to be offered by Representative DYMALLY of California, or his designee; and

An amendment in the nature of a substitute consisting of the text of House Concurrent Resolution 95, the budget recommended by the House Committee on the Budget, to be offered by Representative GRAY of Pennsylvania, or his designee.

Mr. Speaker, the amendments are not subject to amendment, and each is debatable for up to 1 hour, with the time being equally divided and controlled by the Member offering the amendment and a Member opposed thereto. Each substitute will be in order notwithstanding the prior disposition of any one of them. The amendments will be considered under the so-called king-of-the-mountain procedure whereby the last amendment adopted will be the amendment in the nature of a substitute which will be considered to have been finally adopted in the Committee of the Whole and reported back to the House.

The rule also waives the third sentence of clause 8 of rule XXIII against the amendments. This part of rule XXIII prohibits consideration of amendments that change the level of public debt contained in the budget as reported by the Budget Committee. Mr. Speaker, this waiver is necessitated due to the fact that the base resolution made in order under this rule is the sequestration level budget. Therefore, in order for the other substitutes to be offered, which will contain a public debt limit figure, this rule must be waived against the substitutes.

Finally, Mr. Speaker, the rule also provides for a technical amendment or amendments to the budget resolution, as provided for under section 305(a)(5) of the Budget Act, to achieve mathematical consistency in the resolution.

Mr. Speaker, this is a very fair and straightforward rule. I would point out that the Rules Committee made in order every substitute budget offered for consideration. The four substitutes will be the President's budget; a budget proposed by Representative DANNEMEYER of California; a budget proposed by the Congressional Black Caucus; and a budget recommended by the House Committee on the Budget. The last amendment adopted will stand, and if none are adopted, then the base bill, a sequestration-level budget, will be voted upon.

One further amendment was offered for consideration by the Committee on Rules. That amendment, which was neither a substitute budget proposal nor germane to the budget resolution, was not made in order under this rule. That amendment contained various proposals to amend procedures in the Congressional Budget Act, proposals

which are properly within the jurisdiction of the Committee on Rules and the Committee on Government Operations.

Mr. Speaker, this was an extremely tough budget year. The budget to be offered by Chairman GRAY represents the best efforts of the majority members of the Committee on the Budget. It is a fair budget. It is a budget which does not rely, as does the President's, on short-term budgetary gimmicks such as asset sales and loan prepayments—proposals which really have no effect on our structural deficit. It is a budget which distributes the pain of budget deficit reduction equally between spending reductions and revenue increases. It is a budget which cuts spending equally between defense and nondefense spending—and which imposes additional nondefense spending reductions to accommodate several high priority programs which we must address this year, such as programs to assist those afflicted with AIDS and to provide assistance for the homeless. It is a budget which contains a level of revenue changes lower than those proposed by the President. And most importantly, Mr. Speaker, it is a budget which will make greater progress on deficit reduction than does the President's budget; it takes us below the deficit target of \$108 billion called for in the so-called Gramm-Rudman-Hollings-Mack Balanced Budget Act.

The House Budget Committee's plan will produce \$38.2 billion in deficit reduction in the next fiscal year. The President's budget, when the gimmicks are removed, would provide only \$19.8 billion in permanent deficit reduction next year. Furthermore, the Budget Committee plan provides funding to enhance our international trade posture, to promote the education of our children, and to meet emergency health and other critical needs.

Finally, Mr. Speaker, I must express considerable regret that our colleagues on the minority side have not proposed an alternative budget for debate and discussion. On at least two separate occasions, we actively solicited the input of our colleagues on the other side of the aisle. Rather than participate, however, our colleagues opted to issue a list of ultimatums to the committee and, thereafter, refused to participate in the budget process. Again, at Rules Committee, the minority chose not to offer a substantive budget substitute—instead a set of procedural amendments were proposed. Well, Mr. Speaker, I've been in politics long enough to know that when you don't have substance, you argue procedure.

The majority on the Budget Committee have made the tough choices to set priorities for our Nation—we have crafted a fair budget. And while I regret that we will not have a minority substitute before the House today, I would again note that it will be in

order for any Member to offer the President's budget at the appropriate time.

Mr. Speaker, the House Budget Committee plan is a tough yet equitable budget. This rule will provide a full hearing for every budget substitute which has been proposed. The House will be able to work its will on each alternative in turn, and the last substitute adopted will be reported back to the House.

Mr. Speaker, I strongly urge my colleagues to support this rule, as well as the budget substitute which will be offered by Chairman GRAY.

□ 1100

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this rule makes in order a typical Democrat budget, tax and spend, tax and spend, and cut defense. This rule itself is obviously drafted by the Democratic leadership because it looks just like the tail end of the donkey as it moves backward, yes I said backwards.

This resolution begins, and I repeat, it begins with the tail end of the budget process sequestration and it gradually works its way up to what should be at the head of the process, the committee budget resolution.

Instead of making the committee resolution in order as the base vehicle for amendment purposes, this rule makes in order a so-called sequestration budget introduced by our Budget Committee chairman and never considered by the committee. Sequestration is something we would do in October if we failed to do our job of meeting the deficit targets fixed by law, but apparently the Democratic leadership thinks we should go immediately to sequestration if the chairman's budget is not adopted. Frankly, this is just another of a series of Democrat cop-outs.

Mr. Speaker, I suppose I should not be surprised by this reverse Democrat process: after all, we were presented in the opening session of this year's budget markup with last year's budget rather than a chairman's mark for this year. What could be more logical, by this Alice-in-Wonderland logic, than to jump from last year's budget to next October's sequestration, all in the course of 2 weeks?

And of course, for good measure, the chairman also introduced the President's budget which is made in order as one of the four substitutes under this rule. Now the last time I looked, we were operating under the congressional budget process, and supposed to be developing a congressional budget. If the chairman were really serious about turning this into a Presidential budget process he would let the President sign or veto this resolution. But you know and I know that's not going to happen. This is just one more game

in their little bag of tricks to divert attention from their own seriously flawed budget. Let me just say it won't work: This still comes down to a matter of their budget and of pinning the tail on their donkey—whether it is backwards, forwards, or sideways. They are still stuck with it—with their tax increase; and their crippling defense cuts, and their funny-money and their phoney baloney.

When this matter was before the Rules Committee, I proposed an amendment just to improve the process and it was turned down.

There is a widespread thinking that our fiscal policy machinery is broken and in need of repair. As you are all aware, there are serious, perhaps fatal, deficiencies in the congressional budget process. Why wait to fix it? Why wait? Budget deadlines are inevitably missed, budget rules are casually waived and ignored and violated, budget spending ceilings are routinely breached, deficits continue to mount, spending add-ons and other extraneous matters are attached to deficit reduction or reconciliation legislation. Appropriation bills are not enacted on time. Government is funded by omnibus, continuing spending bills not subject to adequate scrutiny or debate by Congress. Regular authorization bills are not considered, forcing legislative provisions on to unrelated omnibus bills.

My amendment would strengthen enforcement of savings agreed to in any budget resolution which is adopted this week or in the future. It also reinstates the teeth in Gramm-Rudman-Hollings by restoring the automatic sequester procedure. My amendment provides the following:

It prohibits extraneous matters such as spending add-ons and authorizations from being included in reconciliation legislation. The Senate already has such a provision. Why not the House?

It provides strict enforcement of committee and aggregate spending ceilings by not allowing legislation to be considered which breaches the committee's outlay suballocation and by repealing the so-called Fazio exception. This exception protects bills against points of order for exceeding the spending ceiling in the budget resolution so long as the reporting committee is still within its allocation for budget authority. Again, such a rule already applies in the Senate. Why not the House?

It establishes a formula for holding down spending in the short-term continuing appropriation bills and subjects long-term CR's to the same rules as general appropriation bills. For example, prohibiting legislative and unauthorized provisions, requiring cost estimates and requiring the full text of matters to be enacted.

□ 1110

It gives the President special rescission authority over long-term CR's and requires disapproval, rather than approval, by Congress through enactment of a joint resolution within an expedited time period.

It restores the automatic sequester procedure by replacing the Comptroller General of the GAO with a six-member Commission on Deficit Reduction. The Commission would be bipartisan, with four of the six members to be chosen by the President from a list submitted by the House Speaker and Senate President pro tempore, after consultation with minority members. Members of the Commission could not be Government officers or employees.

Why not fix this constitutional error in Gramm-Rudman now? Why wait? Why wait until the other body sends over their thinking? Why cannot the House come forward with its thinking? My amendment would do so.

The amendment provides a special procedure for the incorporation of the text of the amendment in the joint resolution now prepared by the House enrolling clerk for the purpose of transferring the debt limit from the adopted budget resolution so that it can be signed by the President, pursuant to rule 49.

I asked the Rules Committee to consider this amendment under this special procedure because the budget and appropriations processes are in dire need of overhaul. The time to act is now, because it is likely that the Senate will amend the debt limit bill with its own reform proposals.

Do we want to be faced with the same situation that we faced in the fall of 1985 when we went to conference with the Senate on the debt limit legislation which contained the Gramm-Rudman-Hollings amendment? The Senate had their position spelled-out but the House had no position from which to bargain. It is better for the House to formulate, deliberate and act on reforms of its own choosing now than to be forced to react to Senate budget reform amendments under the gun of a debt limit expiration in mid-May.

Therefore, I am asking my colleagues in the House today to defeat the previous question on the rule which is before us and adopt the substitute rule which I will propose. My substitute rule would require that my procedural reform amendment be made in order at such time as a budget resolution has been agreed to in the Committee on the Whole.

My substitute rule would also provide that House Concurrent Resolution 95, the concurrent budget resolution reported out of the Budget Committee on April 1, would be the budget under consideration, and not the sequester budget. House Concurrent

Resolution 95, would then be subject to amendment.

Again, I urge my colleagues to join me today to defeat the previous question, and enact these needed reforms.

Mr. DERRICK. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, I would just point out that were the previous question defeated and the gentleman from Ohio [Mr. LATTI] had an opportunity to offer his new rule, which included the matter that he mentioned, a point of order would lie, and I think it would be possible for us to find someone to make that point of order.

Mr. LATTI. Mr. Speaker, I yield 6 minutes to the gentleman from Mississippi [Mr. LOTT].

Mr. LOTT. Mr. Speaker, I want to welcome my colleagues and our Cherry Blossom Festival guests to the spring budget games. This is an annual rite of spring here in the House Chamber where we dance around the pole in pursuit of that elusive budget.

Today's little dance has been choreographed by the Democratic leadership, of course. And, true to form, it is replete with all sorts of cute little side-steps and leaps of fancy. Not only do we once again have the President's budget being introduced by the House Budget Committee chairman into the congressional budget process, but we even have the chairman's sequestration budget made in order as the base resolution for amendment purposes. And I thought the chairman was violently opposed to the mindless sequestration process. Now, it seems, he can't wait until October to get to it.

What are we really talking about here? A budget resolution that has become a farce. It is this year, and it has been in the recent past. It kind of reminds me of the story I heard about the eggs and bacon for breakfast. The chicken just makes a statement when it produces the eggs; the hog makes a commitment when he produces the bacon or the pork on the plate.

Now, the analogy is this: This budget resolution is a statement. We wish that deficits would go away, but we do not really mean it. In fact, we guarantee it will not happen because we have no enforcement mechanisms in this budget resolution.

All we were asking for, with the package of amendments that the gentleman from Ohio [Mr. LATTI] asked for in the Committee on Rules, which was defeated on a purely partisan vote, was an opportunity to make this a commitment, a commitment to enforce the numbers that you certainly have the hordes to force upon this institution here today.

What we are asking for is that you defeat the previous question so that we would have a rule that would allow us to just put into place enforcement mechanisms. Whatever the House

agrees to, let us enforce it. Let us make it stick.

Let us look at history just a little bit more. We have had budget resolutions in the last few years that really have not been enforced. In fact, we understand that in this whole budget resolution, there is only \$3.8 billion that would be reconciled, \$3.8 billion. Is that all we can get in enforced spending savings?

But look what happens when we do pass a budget resolution. Over the past 2 years, in the 99th Congress, any time the budget resolution got in our way, we just dropkicked it, and it made no difference whether we were passing a bill that involved Indian claims in Gayhead, MA, immigration reform, which I supported, energy and water development, Interior appropriations, Food and Security Act, whatever it was. One hundred and six times in the 99th Congress, we said, "We waive the Budget Act. The Budget Act is in our way and so we will just shove it aside. We do not really mean this; we do not want it, and so we are just doing away with the budget resolution. We will waive it."

In fact, the Congress, the Congress, the Congress, not the President, has busted its own budget resolutions since 1981 to the tune of a total of \$146.25 billion. We do not even stick to our own budget resolutions.

How reliable is this budget resolution? Why, the Congressional Budget Office, that great nonpartisan office, has already said the committee's draft report language in many instances does not provide sufficient information on proposed policy changes for CBO to provide an independent estimate.

The truth of the matter is we do not really know what this budget resolution does.

All we are asking for in this package of amendments is to give the Members a chance to vote on whether or not they mean what they say with these numbers. Could we at least exclude from reconciliation or from the budget process, extraneous matters, which is another way of saying, spend more money under the cover of night in a resolution that says we are committing to cut spending? Let us just knock out extraneous spending.

Enforce committee compliance with budget ceilings. Do you know what happens with the Committee on Appropriations? The Committee on Appropriations tells the Committee on the Budget where it can go on every appropriations bill. Can we not at least enforce compliance with what the House votes on the budget?

Allow appropriations bills to be considered only after reporting all appropriations, requiring adherence to spending ceilings, requiring short-term continuing resolutions. If we do have long-term continuing resolutions, let

us at least know what is in them and let us require a three-fifths vote before we can ram them through, which is what we will do later on this year.

All we are saying is, defeat the previous question, give us a chance to offer these amendments to enforce the numbers. If you defeat the previous question, we will do that.

Now, you might take it back to the Committee on Rules, but that is all right. I have faith that the Committee on Rules would come up with a rule that would at least give us an opportunity to offer our amendments.

But, Mr. Speaker, there is one other alternative. This is all bologna. We ought to slice it just like the bologna that it is. It is a sham; we should not try to convince the American people that this is serious at all. It is not. It is just a game.

What we really ought to do is defeat the committee's resolution and all other substitutes made in order because they do not really deal with the problem.

□ 1120

Let us go back and let us try to come up with a bipartisan resolution, one that does not devastate defense, raise taxes \$18 billion plus another \$1.3 billion for user fees, one that cuts all domestic programs that help produce jobs but raises those that protect those in the so-called income security area. We can do better in this budget resolution or any of the budget resolutions.

I would like for us genuinely to try to have a bipartisan effort that does not have preconceived conditions which must be met.

I believe the gentleman from South Carolina and I might come up with one. We might not get enough votes from New York City or Los Angeles to go along with it, but we ought to give it a shot. We do not have that here today.

Mr. Speaker, we ought to beat down this whole proposition and begin by defeating the previous question on the rule.

Mr. Speaker, if my colleagues are confused by all this posturing and games playing, welcome to the club. We only asked for one thing early in the process, and that was for a good-faith, serious effort in forging a truly bipartisan, workable and enforceable budget. While the chairman's initial reaction was positive, the rug was then inexplicably pulled out from under that effort at the last minute. Instead of a chairman's mark from which the committee could work, a facetious freeze in last year's budget was put forward instead—hardly a serious working document.

Our Budget Committee Republicans nevertheless renewed their plea for a bipartisan effort based on a chairman's mark; full and enforceable reconciliation instructions; a ban to add ons and extraneous matters in recon-

ciliation; strict enforcement of spending ceilings; and a restoration of sequestration.

I joined with my Republican leader a week later in a letter to the Speaker, making a similar plea for a bipartisan effort grounded in strong enforcement procedures.

But, what did we get for all our good-faith overtures? We got kicked in the face, to put it bluntly. Our Budget Committee Republicans got no advance copy of any markup resolution; they didn't even get a copy of the proposed resolution at the markup meeting. All they got instead was a single sheet of paper with a summary table. Mr. Speaker, if this were summer camp, it might be a good prank to short sheet the minority. But the House of Representatives is no summer camp, and the congressional budget process is no place for juvenile high jinks.

Mr. Speaker, the very fact that the budget process so far this year looks more like a magical mystery tour than a serious fiscal endeavor should give us pause to consider just what it is we are doing and how we are doing it. The very fact we are now faced with a rule that looks more like a mocking mask than a rational procedure should be the tipoff that something is dreadfully wrong with the way we make budgets. Putting sequestration up front like this not only stands the process on its head but is just plain crazy in the head.

For these reasons, Mr. Speaker, I would seriously urge my colleagues on both sides of the aisle to vote down the previous question on this rule so that the gentleman from Ohio [Mr. LATTA] can offer a substitute rule that begins to inject a little sanity into these proceedings. In the first place, the substitute rule would make in order the committee's reported budget resolution, and not sequestration, as the base resolution for amendment purposes. And, the rule would still make in order the same four substitutes in the same order as the present rule, with the chairman's substitute last under a king-of-the-hill approach. But, in addition, the substitute rule would permit the gentleman from Ohio to offer an amendment to whatever is standing at the end—an amendment which makes some necessary changes in our budget process and restores automatic sequestration.

Briefly stated, those budget process reforms would bar extraneous matter in reconciliation bills; provide strict enforcement of both outlay suballocations at the committee level, and of our overall spending ceiling; require that all appropriations bills be reported before any can be considered in the House; subject short-term continuing appropriations to a strict formula as to contents; subject omnibus, long-term continuing resolutions to the same rules as general appropriations measures; and give the President special rescission authority over long-term CR's which could only be reversed by the enactment of a disapproval resolution. As I mentioned before, the amendment would also fix automatic sequestration by replacing the Comptroller General's role with a bipartisan commission.

Mr. Speaker, there are those who argue that now is not the time to fix the budget process. But this budget resolution and this rule are sufficient proof that we can wait no longer.

Vote down the previous question and for the substitute rule.

Mr. LATTI. Mr. Speaker, I yield 5 minutes to the gentleman from Missouri [Mr. BUECHNER].

Mr. BUECHNER. Mr. Speaker, I think it is quite fitting that next Sunday is Palm Sunday. Palm Sunday, as those of you who are biblical scholars and acquainted with Christianity know, is the day when Jesus rode into town; He was welcomed as a hero and palms, which were a symbol of victory and praise, were laid before Him. The next week, unfortunately, He was beaten, mocked, and executed.

So today we will begin the process of praising the Democratic budget resolution, and next week and for the rest of this term the budget of the United States will be abused, mocked, and finally executed.

Probably, to stay away from the edge of blasphemy, we ought to draw a better resolution, and we ought to talk about it and put it like this: "There's trouble right here in River City; it starts with 't,' that rhymes with 'b,' and that stands for 'budget.'" And just as in "The Music Man," the way in which people learn how to play instruments is to pretend they are playing them and hum. I would suggest that the budget resolution, the one that is being presented in the rule today, is exactly that. It is to pretend that we are dealing with the budget, and to hum a song that we are dealing with the budget when in fact we are doing neither. Maybe there will be some mysterious thing that happens, but I doubt that very much.

The gentleman from South Carolina, Mr. Speaker, eloquently pointed out the difference between procedure and substance. Let me point out that if there is a lack of substance, it is a one-page budget document and the substance in this real question that is before us today is what was defeated by the Rules Committee. The substance was to do something meaningful in the budget process, to adopt something that, as the gentleman from Ohio pointed out, would provide, if these additions would have been granted in the Rules Committee, that we would have said to the American people that this budget actually means something, that it is not pretending that we are playing a budget, that it is not just humming a budget song, it is truly dealing with what is America's biggest single problem, and that is the deficit and how we as Members of Congress spend the taxpayers' dollars.

I am a freshman, Mr. Speaker, and I am very honored to have served on the Budget Committee. There were a couple of occasions when I thought we honestly were going to join together to deal with the problems of America, and unfortunately—and I will say this happened on both sides—we broke

down into partisan rancor. But that is not the way to deal with the major problems of this country, and the Rules Committee has only compounded the felony.

We need to do something about this budget. We need to do something about the deficit, and the best way that we can commence dealing with these problems is to defeat this rule. We need to go back to the Budget Committee, to sit down there and honestly say that we are going to stop casting partisan stones and deal with reality, because this budget that is going to be placed before us today by the majority party does none of those things.

This budget is not smoke and mirrors, as they have termed the President's budget; it is, frankly, magic, mesmerizing, mist, and sleight of hand. It does not even qualify as anything which is as tangible as smoke and mirrors. If the CBO cannot define the impact of this budget, if the substance, using the term of the gentleman from South Carolina, is that we have designated certain groups, certain committees, to deal with the problems that we will not deal with as a Budget Committee, then I wonder what is substance up here. What is the essence of this budget?

I would say, just as the gentleman from Mississippi pointed out, that it is simply a political statement, and if it is a political statement, then let us quit wearing the emperor's new clothes of self-righteousness. Let us quit dressing up and coming out here and telling the people that we have a budget that will answer everybody's needs, that we have a budget that will meet the Gramm-Rudman deadline, that we have a budget that is everything to everybody, because there is no one in this House, in the other body, or on Pennsylvania Avenue or out in the 50 States who honestly believes that a political statement is what is right for this country. You can parade it before us and we can nod no and we can nod yes, but in the final analysis the best thing for this country is to defeat this rule and go back to the Budget Committee and have everyone say once and for all that we will put aside our partisan hats and we will go out and do what is best for this country, because what is being done today, if we adopt this rule, is not what is right for this country. It may be right for reelection, it may be right for rhetoric, but it is wrong for the country.

Mr. LATTI. Mr. Speaker, I yield 5 minutes to the gentleman from Kentucky [Mr. ROGERS].

Mr. ROGERS. Mr. Speaker, it is utterly urgent that, whatever budget we adopt, we adopt a budget that means something. That is not the case now.

Last year, as the Members will recollect, we went through this practice, we

labored and we perspired through the process and shouted at each other, and we adopted a budget proposal. And what happened? We waived that budget over 100 times last year, and then, as a final insult to the process, at the end of the year we lumped all the appropriations bills together in one giant continuing resolution, waived the budget restrictions, and passed the entire appropriation of the United States in one continuing resolution. We pay no attention to this document that we are debating. It is a sham.

What the Latta amendment would do, if the Members would give us a chance to offer it, is to make the budget mean something. The American people think it means something. They do not know that last year we waived that budget act this many times. There are four pages here, with roughly 30 or 40 on each page, where we waived the budget on everything from the formation of the Compact of Free Association to the Gay Head-Wampanoag Claims Settlement Act, and, of course, the continuing resolution on some several hundreds of billions of dollars at the end of the year.

Let us defeat the previous question on this rule so that the Latta amendment can be offered so as to make the budget mean something and bind this Congress to live within the means that we say we are going to live within.

The Budget Committee has gone through a long procedure. The House now is going through the procedure of trying to adopt some sort of budget. It does not matter what we adopt if it does not mean anything. I say to the Members, if we mean what we say, let us say what we mean. By adopting this amendment to be offered by the gentleman from Ohio [Mr. LATTI] if we defeat the previous question, we will accomplish that purpose. It is urgent that we do it.

Second, let me say something about the budget itself at this point. The options we have under this rule are not really options at all. The options offered to us are a severe unlivable, unworkable sequestration that no one can live with. We would rimrack America's economy, America's defense, and all the programs that protect Americans from and for the Government. So that is unworkable.

Then there are the other amendments which I think will not solve the problems. We have no real option under the rule that has been reported by the Rules Committee. But the Budget Committee proposal is an amendment to be offered on the floor under the rule. It is an amendment. That is the kind of respect that we have under our procedure for the process itself.

□ 1130

We have relegated the Budget Committee's proposal to an amendment to be offered under this rule on the floor. What does the Democrat proposal do? And let me say parenthetically that Republicans had nothing to do with it, and would not have anything to do with it because they would not offer a proposal in the Budget Committee for us to work from until the last day, and then offered no explanation of a single, one-page trillion-dollar budget. A single sheet of paper they offered to us. So this is not any Republican, bipartisan proposal; this is a literal Democrat proposal. Bear that in mind.

For example, this proposal of the liberal Democrats proposes to raise American taxes by \$20 billion. Seventy-three percent of Americans do not want us to raise taxes to solve the deficit problem. Seventy-three percent; three-fourths of the American people do not want you to raise their taxes to solve the deficit problem. They want you to cut spending; that is what they are telling us in the polls. That is what our party stands for. It is not to raise those taxes and yet, that is the proposal that is protected under this rule.

Paul Volcker said as late as last night, "The way to solve America's trade deficit where we are losing our jobs is to cut the Federal budget deficit." Not by raising taxes, but by discipline.

I urge the Members to defeat this rule and allow us to offer the Latta amendment to make the budget mean something.

Mr. YOUNG of Florida. Mr. Speaker, I rise in opposition to House Resolution 139, the rule providing for consideration of the budget resolution, and in support of efforts to defeat the previous question so that we may have the opportunity to amend this rule.

The Rules Committee has made in order all amendments to the budget resolution that were requested for consideration except the amendment by my colleague from Ohio, Mr. LATTI, the vice chairman of the Budget Committee. His amendment appropriately would have allowed the House to consider long overdue reforms to the congressional budget process.

This has been an area of concern to me for a number of years because it is clear that the current budget process does not work. Missed budget deadlines have become the exception rather than the rule, House rules regarding the budget are continually waived, preestablished budget ceilings are ignored, and the authorization and appropriation process has been breached leaving the Federal Government, and its \$1 trillion budget, to run on automatic pilot. Massive omnibus continuing appropriation, authorization, and reconciliation bills are forced upon us in the waning days of every session of Congress. The choice is to adopt these all-encompassing bills or allow our Government and all its functions to shut down and cease operating.

The proposed Latta budget reforms would instill some type of discipline to the Congress

by instituting currently nonexistent alternatives to last minute omnibus legislation. It would prevent the hysteria that surrounds the House and Senate as the new fiscal year draws near with little or no authorization or appropriation legislation in place.

The reforms to the budget process I advocate are even more sweeping than those proposed by Mr. LATTI. A complete overhaul of the current budget process is urgently needed because it has become too cumbersome and obviously just doesn't work.

What I propose is to first, abolish the Budget Committees, which have only added an unnecessary level of bureaucracy to the already bureaucratized Congress. They serve merely as source for posturing on the budget priorities of the two parties and their months of hearings and debate are for the most part ignored later in the year when the real authorization and appropriation decisions are made.

Second, we should place the Federal Government on a 2-year budget cycle that would allow the Congress to catch up with the backlog of budgetary matters and give us a more realistic chance to fulfill our fiscal responsibilities and meet our deadlines.

And third, I believe the Appropriations and Ways and Means Committee should work more closely together to provide statements of revenues and outlays that will provide us with benchmarks from which to begin our work, and measure our progress, in making budgetary decisions.

These are the main reforms I propose, but I believe Mr. LATTI is on course with those included in his package of amendments. He seeks to provide some method of enforcement to legislative budget targets and imposes much-needed restrictions on omnibus spending legislation. It's unfortunate that the Rules Committee has prevented the offering of his proposals.

The Rules Committee over the last few months has established a dangerous pattern of reporting to the House rules governing the consideration of legislation that more often than not limit the amount of debate on important issues, prevents the offering of key amendments, such as we see today, and waive many of the rules that have been adopted by the Members of the House.

Today is another example of the Rules Committee limiting the amount of debate on amendments and prohibiting the offering of a very relevant and timely amendment to the budget process. These continuing practices by the leadership of the House usurp the rights of the minority Members of this House and effectively restrict our ability to represent the American people we were elected to serve.

Mr. Speaker, I urge my colleagues to defeat the previous question so that we can amend the rule that is before us to allow for the consideration of the Latta amendments. Our efforts today will also send a signal to the House leadership that Members on both sides of the aisle are sick and tired of restrictions that have been imposed upon us that hinder our rights to fully participate in the congressional legislative process.

Mr. GRAY of Pennsylvania. Mr. Speaker, I would like to comment on the inclusion in the rule of a waiver of the third sentence of clause 8 of House rule XXIII against consider-

ation of the amendments made in order by the rule.

The third sentence of clause 8 of House rule XXIII prohibits consideration of "an amendment to a concurrent resolution on the budget * * * which changes the amount of the appropriate level of the public debt set forth in the concurrent resolution as reported."

The language of the prohibition in rule XXIII is somewhat ambiguous in interpreting its application to this year's consideration of the congressional budget since the underlying resolution made in order by the rule is not the committee-reported resolution.

In past years, the application of the rule XXIII prohibition to consideration of amendments was clear, since the matter under consideration was the committee-reported resolution. Consequently, an amendment to a concurrent resolution on the budget was an amendment to the concurrent resolution as reported by the Budget Committee. It was clear that the resolution being amended was the committee-reported resolution and, consequently, changes in the public debt level set forth in that resolution were inappropriate in accordance with rule XXIII.

This year's situation should be distinguished from past years. The House will not be considering the committee-reported resolution as the underlying measure. Despite this distinction, it is probably appropriate to be cautious and waive the prohibition in light of the ambiguity in House rules. But, in other similar situations, I suggest that such a waiver may not be necessary.

Mr. LATTI. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. MICHEL].

Mr. MICHEL. I thank the gentleman for yielding me this time.

Mr. Speaker, I hold in my hand here a document entitled, "Congressional History of Spending," and it offers statistics year by year on the congressional budget process since 1976, and year by year the failures of the Congress are there for all to see. The opportunism, the pettiness, the unwillingness or inability to rise above partisanship and we Republicans share part of the blame with the Democrats. We all failed but the Democratic leadership bears most of the responsibility.

Specifically, in 1985, the deficit was \$181 billion, actually it was \$212. In 1986, the first resolution said there would be a deficit of \$171 billion. The actual deficit was \$220 billion. Now, if a plumber were this bad at his job, we would all be up to our hips in water.

Now we have before us a budgetary masterpiece of misrepresentation. The culminating event in this long series of congressional debacles, the Budget Committee's budget for fiscal year 1988. The real budget process, let us face it, has been dead for several years now. We just have not had the honesty to give it a decent burial and begin again.

We are not kidding anyone around here; it is all political from the road shows to the media events to the one-

page budgets, to the rule requiring a vote on the President's budget and the creation of a sequestered budget. It is all politics.

I might remind my Democratic friends, primarily over here, how you were so insistent on taking away the normal budget presentation authority of the President and putting it right here in our laps. That we would be forced to come up with our own budget process.

Frankly, except for a couple of years from its adoption, we have been running and hiding from it for years. Frankly, this year, you all refused to even talk about it. You refused to compromise. You took the President's all around the country, but, frankly, your own budget, you will not run right around the Capitol Building here. There is a conspiracy of silence about the whole thing. I guess to give you some idea about the seriousness with which this budget was put together, let the record show that in its original form it consisted, as has been pointed out, of one page. One page, and that was quickly waived before the faces of our Republican Members.

Do you believe as I do that in the field of nuclear physics that there is no second place? That the superpower that does not stay at the cutting edge is doomed? Well, then be aware that according to OMB the Democratic budget would require that the Fermi Lab in my home State of Illinois would suffer substantial cutbacks and that the Stanford linear accelerator in California and the continuous electron accelerator in Virginia would suffer the same fate? The research and development funds needed for the single most important project of the nuclear age, the superconducting super collider would not be available at all? This budget rejects funding for the Clean Coal Technology Program, which is designed to both find solutions to the acid rain problem and find more uses for the high-sulfur coal of the type we produce back in my home State of Illinois.

Nowhere does this budget chill the very marrow of our bones more than its attack on our national security. The savage cuts imposed on national security under this, the first budget of our new Speaker, are nothing less than the Texas chain saw massacre. It looks as if a chain saw was used to make these cuts. This budget would mean that for 3 straight years now the defense budget of our country will be cut in real terms. I will tell you, if a foreign power attempted to do to our national security what this budget would do, it would be cause for our breaking off of diplomatic relations at the very least.

It is almost unnecessary to add that this budget calls for, as the gentleman preceding in the well pointed out, \$18 billion of increases in taxes. We

become so used to our Democratic friends calling for more taxes that it frankly no longer shocks us. To call it a purely political document in a sense is to dignify it, because politics in this country at least has some connection with the give and take of open and honest debate.

I guess in one sense I pity the many responsible Democrats who have had to support this thing out of a sense of party loyalty. You deserve better than this, and in my judgment, we all deserve something better than this.

I am urging my colleagues to vote against the previous question at the time the question is put so that we can substitute therein some real meaning reforms in the whole process as proposed by the distinguished gentleman from Ohio [Mr. Latta].

It is absolutely essential, in my judgment, if the budget process is ever going to work, that we take action now. I urge a vote against the previous question to make that in order.

Mr. Latta. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I wish to call attention to a letter that has been delivered to the chairman, with a copy to me, a copy to the Speaker, and a copy to our minority leader, from the Independent Petroleum Association of America. I want especially to call this to the attention of those Members who come from producing oil States. It says:

DEAR CHAIRMAN GRAY: It has come to our attention that the House Budget Committee proposal for fiscal 1988 contains some rather "creative" ideas on how to increase the Strategic Petroleum Reserve (SPR) fill rate at no cost to taxpayers.

As we understand the proposal, a percentage of all oil purchased by domestic refiners would be diverted by law to the SPR at refiners' expense. That oil would be added to and considered a part of the SPR and refiners would carry the burden of its full costs. In the event a draw-down of the SPR was ordered, refiners would be given back their oil in proportion to what they had been required to donate.

Were this not in writing, we would not have believed it. But since a majority of the Budget Committee has accepted it as legitimate national policy, we have no choice but to comment on it.

The Independent Petroleum Association of America is the national association representing the nation's independent crude oil and natural gas producers. By definition, our members are producers, with little or no interest in refining, transportation or marketing. Therefore, we will not beg the question of whether or not this proposal is confiscation of refiners' property without compensation. They are capable of addressing that issue.

What we want to bring to your attention is the adverse impact this would have on the U.S. petroleum producing industry—an industry already in steep decline.

Apparently the Committee believes refiners would simply pass costs associated with their contribution to the SPR through to consumers. That argument may be partially true as to the gasoline portion of the crude oil barrel, since gasoline has very little competition as a fuel. But much of the remain-

der of the barrel—heating oil and industrial fuels—compete head-to-head with natural gas, coal and electricity in a very price-sensitive market. In addition, imported products—especially gasoline—would limit further the ability of domestic refiners to increase their prices. Thus, we think our fears are well founded that pressure on refiner margins would lead to lower net-backs to producers in the form of lower wellhead prices. In fact, if refiner costs could not be passed through to consumers and because they are powerless to lower net-backs to foreign producers, the full cost of this proposal would fall on domestic producers, especially independents.

At a time when the domestic petroleum industry is in one of its most serious economic declines in history, this is a most inappropriate action which most surely will further that decline.

We urge you, Mr. Chairman, to recall this budget resolution to your Committee to correct this mistake. Absent that, we will be urging Members of the House to vote no.

Sincerely,

H.B. SCOGGINS, Jr.

Mr. DERRICK. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I have sat over here for the last half an hour and listened to this argument from the minority side. I have heard the budget compared with chicken and eggs and Texas chain saws and one thing or another. Quite frankly, that would be amusing if this were not such a serious matter.

We instituted a Budget Impoundment Act back in 1974 in this House to bring some sort of rhyme and reason to our fiscal policy. We Democrats on the Budget Committee have worked hard and long this year and in prior years because, quite frankly, the American people have shown the confidence in us to give us the right to govern in the two legislative bodies.

Because of this confidence, we must come up with a budget, and that we have done. We are to be criticized by those who would not even come forth with their own budget. This is just a complete sham, because even if the minority were to prevail on the matter of the failure of the previous question, a point of order would lie against the changes that Mr. Latta wishes to make.

□ 1140

So that is not going to be possible. We might as well forget about that.

Now we are asked to consider the substance. Well, I would like for someone to tell me where any substance is on the other side, because they have not even been willing to produce their own budget. They do not want to produce their own budget. They do not want to vote for the President's budget.

The minority leader just got up here a few minutes ago and said it was a shame that we had cut the Pentagon's budget, that it was a shame we had cut from the domestic programs and that it was a shame that we had called for

revenues, even though they are less than what the President wanted; but yet he thinks they have some miracle to balance the budget.

Well, Mr. Speaker, if no one is going to cut the domestic side of the budget and no one is going to cut the defense side of the budget and you are not going to come up with some additional revenues, I would like to know where in the devil you are going to get the revenues or the cuts to balance the budget.

The only thing the minority has done is moan and groan and complain in the last 3 months. We on two occasions in the Budget Committee invited, requested, begged, almost, our chairman did, the minority to come with us in a spirit of nonpartisanship to produce a budget for this great country of ours. They came, they failed. One time they voted "present." The other time, not one time did they offer one amendment, not one time did they offer a budget, so all of this moaning and groaning is a sham, too.

What do we have to hang our hat on this morning? What you have to hang your hat on is a responsible Democratic majority in this House of Representatives who appointed a responsible Democratic majority on the Budget Committee who have come up with a responsible budget for this great country of ours that makes cuts where they are needed, asks for additional revenues less than what the President asked for to bring some rhyme and reason to the fiscal policy of this country.

Mr. Speaker, I ask that you vote for the previous question.

Mr. DERRICK. Mr. Speaker, I move the previous question on the resolution.

The SPEAKER pro tempore (Mr. GRAY of Illinois). The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. LATTI. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 241, nays 174, not voting 18, as follows:

[Roll No. 46]

YEAS—241

Ackerman	Bates	Borski
Akaka	Beilenson	Bosco
Alexander	Bennett	Boucher
Anderson	Berman	Boxer
Andrews	Blaggi	Brennan
Anthony	Bilbray	Brooks
Applegate	Boggs	Brown (CA)
Aspin	Boland	Bruce
Atkins	Boner (TN)	Bryant
AuCoin	Bonior (MI)	Bustamante
Barnard	Bonker	Byron

Campbell	Hubbard	Perkins
Cardin	Huckaby	Pickett
Carper	Hughes	Pickle
Chapman	Hutto	Price (IL)
Chappell	Jenkins	Price (NC)
Clarke	Johnson (SD)	Rahall
Clay	Jones (NC)	Rangel
Coelho	Jones (TN)	Ray
Coleman (TX)	Jontz	Richardson
Collins	Kanjorski	Robinson
Cooper	Kaptur	Rodino
Darden	Kastenmeier	Roe
de la Garza	Kennedy	Rose
DeFazio	Kennelly	Rostenkowski
Dellums	Kildee	Rowland (GA)
Derrick	Kleczka	Roybal
Dicks	Kolter	Russo
Dingell	Kostmayer	Sabo
Dixon	LaFalce	Savage
Donnelly	Lancaster	Sawyer
Dorgan (ND)	Lantos	Scheuer
Dowdy	Leath (TX)	Schroeder
Downey	Lehman (CA)	Schumer
Durbin	Lehman (FL)	Sharp
Dwyer	Leland	Sikorski
Dymally	Levin (MI)	Sisisky
Dyson	Levine (CA)	Skaggs
Early	Lewis (GA)	Skelton
Eckart	Lowry (WA)	Slattery
Edwards (CA)	Lukens, Thomas	Slaughter (NY)
English	MacKay	Smith (FL)
Espy	Manton	Smith (IA)
Evans	Markley	Solarz
Fascell	Martinez	Spratt
Fazio	Matsui	St Germain
Feighan	Mavroules	Staggers
Flake	Mazzoli	Stallings
Flippo	McCloskey	Stark
Florio	McCurdy	Stenholm
Foglietta	McHugh	Stokes
Foley	McMillen (MD)	Stratton
Ford (MI)	Mfume	Studds
Ford (TN)	Miller (CA)	Swift
Frank	Mineta	Synar
Frost	Moakley	Tallon
Garcia	Mollohan	Tauzin
Gaydos	Montgomery	Thomas (GA)
Gejdenson	Moody	Torres
Gephardt	Morrison (CT)	Torricelli
Gibbons	Mrazek	Trafficant
Glickman	Murphy	Traxler
Gonzalez	Murtha	Udall
Gordon	Nagle	Valentine
Grant	Natcher	Vento
Gray (IL)	Neal	Visclosky
Gray (PA)	Nelson	Volkmer
Guarini	Nichols	Walgren
Hall (OH)	Nowak	Watkins
Hall (TX)	Oakar	Waxman
Hamilton	Oberstar	Weiss
Harris	Obey	Wheat
Hatcher	Olin	Whitten
Hawkins	Ortiz	Williams
Hayes (IL)	Owens (NY)	Wise
Hayes (LA)	Owens (UT)	Wolpe
Hefner	Panetta	Wyden
Hertel	Patterson	Yates
Hochbrueckner	Pease	Yatron
Howard	Penny	
Hoyer	Pepper	

NAYS—174

Archer	Coats	Fields
Armey	Coble	Fish
Badham	Coleman (MO)	Frenzel
Baker	Combest	Galleghy
Ballenger	Conte	Gallo
Bartlett	Coughlin	Gekas
Barton	Courter	Gilman
Bateman	Craig	Gingrich
Bentley	Crane	Goodling
Bereuter	Dannemeyer	Gradison
Billirakis	Daub	Grandy
Bliley	Davis (IL)	Green
Boehlert	Davis (MI)	Gregg
Boulter	DeLay	Gunderson
Broomfield	DeWine	Hammerschmidt
Brown (CO)	Dickinson	Hansen
Buechner	Dornan (CA)	Hastert
Bunning	Dreier	Hefley
Burton	Duncan	Henry
Callahan	Edwards (OK)	Herger
Chandler	Emerson	Hiler
Cheney	Erdreich	Holloway
Clinger	Fawell	Hopkins

Horton	McKinney	Shaw
Houghton	McMillan (NC)	Shumway
Hunter	Meyers	Shuster
Hyde	Michel	Skeen
Inhofe	Miller (OH)	Slaughter (VA)
Ireland	Miller (WA)	Smith (NE)
Jacobs	Molinar	Smith (NJ)
Jeffords	Moorhead	Smith (TX)
Johnson (CT)	Morella	Smith, Denny
Kasich	Morrison (WA)	(OR)
Kolbe	Myers	Smith, Robert
Konnyu	Nielson	(NH)
Kyl	Oxley	Smith, Robert
Lagomarsino	Packard	(OR)
Latta	Parris	Solomon
Leach (IA)	Pashayan	Spence
Lent	Petri	Stangeland
Lewis (CA)	Porter	Stump
Lewis (FL)	Pursell	Sundquist
Lightfoot	Quillen	Sweeney
Livingston	Ravenel	Swindall
Lott	Regula	Tauke
Lowery (CA)	Rhodes	Taylor
Lujan	Rinaldo	Thomas (CA)
Lukens, Donald	Ritter	Upton
Lungren	Roberts	Vander Jagt
Mack	Rogers	Vucanovich
Madigan	Roth	Walker
Marlenee	Roukema	Weber
Martin (IL)	Rowland (CT)	Weldon
Martin (NY)	Saiki	Whittaker
McCandless	Saxton	Wolf
McCollum	Schaefer	Wortley
McDade	Schneider	Wylie
McEwen	Schulze	Young (AK)
McGrath	Sensenbrenner	Young (FL)

NOT VOTING—18

Annunzio	Daniel	Ridge
Bevill	DiGuardi	Roemer
Carr	Kemp	Schuetz
Conyers	Lipinski	Snowe
Coyne	Lloyd	Towns
Crockett	Mica	Wilson

□ 1200

The Clerk announced the following pairs:

On this vote:

Mr. Mica for, with Mr. Kemp against.

Mr. HORTON changed his vote from "yea" to "nay."

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. GRAY of Illinois). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. LATTI. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 241, nays 168, not voting 24, as follows:

[Roll No. 47]

YEAS—241

Ackerman	Boggs	Carper
Akaka	Boland	Chapman
Alexander	Boner (TN)	Chappell
Anderson	Bonior (MI)	Clarke
Andrews	Bonker	Clay
Anthony	Borski	Coelho
Applegate	Bosco	Coleman (TX)
Aspin	Boucher	Collins
Atkins	Boxer	Cooper
Barnard	Brennan	Coyne
Bates	Brooks	Darden
Beilenson	Brown (CA)	de la Garza
Bennett	Bruce	DeFazio
Bryant	Bryant	Dellums
Byron	Byron	Derrick
Biaggi	Campbell	Dicks
Bilbray	Cardin	Dingell

Dixon	Kennedy	Ray
Donnelly	Kennelly	Richardson
Dorgan (ND)	Kildee	Robinson
Dowdy	Klecza	Rodino
Downey	Kolter	Roe
Durbin	Kostmayer	Rose
Dwyer	LaFalce	Rostenkowski
Dymally	Lancaster	Rowland (GA)
Dyson	Lantos	Roybal
Early	Leath (TX)	Russo
Eckart	Lehman (CA)	Sabo
Edwards (CA)	Lehman (FL)	Savage
English	Leland	Sawyer
Erdreich	Levin (MI)	Scheuer
Espy	Levine (CA)	Schroeder
Evans	Lewis (GA)	Schumer
Fascell	Lowry (WA)	Sharp
Fazio	Lukens, Thomas	Shorski
Feighan	MacKay	Sisisky
Flake	Manton	Skaggs
Filippo	Markey	Skelton
Florio	Martinez	Slattery
Foglietta	Matsui	Slaughter (NY)
Foley	Mavroules	Smith (FL)
Ford (MI)	Mazzoli	Smith (IA)
Ford (TN)	McCurdy	Solarz
Frank	McHugh	Spratt
Frost	McMillen (MD)	St Germain
Garcia	Mfume	Staggers
Gaydos	Miller (CA)	Stallings
Geldenson	Mineta	Stark
Gibbons	Moakley	Stenholm
Glickman	Mollohan	Stokes
Gonzalez	Montgomery	Stratton
Gordon	Moody	Studds
Grant	Morrison (CT)	Swift
Gray (IL)	Mrazek	Synar
Gray (PA)	Murphy	Tallon
Guarini	Murtha	Tauzin
Hall (OH)	Nagle	Thomas (GA)
Hall (TX)	Natcher	Torres
Hamilton	Neal	Torricelli
Harris	Nelson	Towns
Hatcher	Nichols	Trafficant
Hawkins	Nowak	Traxler
Hayes (IL)	Oakar	Udall
Hayes (LA)	Oberstar	Valentine
Hefner	Obey	Vento
Hertel	Olin	Visclosky
Hochbrueckner	Ortiz	Volkmer
Howard	Owens (NY)	Walgren
Hoyer	Owens (UT)	Watkins
Hubbard	Panetta	Waxman
Huckaby	Patterson	Weiss
Hughes	Pease	Wheat
Hutto	Penny	Whitten
Jenkins	Pepper	Williams
Johnson (SD)	Perkins	Wise
Jones (NC)	Pickett	Wolpe
Jones (TN)	Pickle	Wyden
Jontz	Price (IL)	Yates
Kanjorski	Price (NC)	Yatron
Kaptur	Rahall	
Kastenmeier	Rangel	

NAYS—168

Archer	Courter	Hansen
Armey	Craig	Hastert
Badham	Crane	Hefley
Baker	Dannemeyer	Henry
Ballenger	Daub	Hergert
Bartlett	Davis (IL)	Hiler
Barton	Davis (MI)	Holloway
Bateman	DeLay	Hopkins
Bentley	DeWine	Horton
Bereuter	Dickinson	Hunter
Bilirakis	Dornan (CA)	Hyde
Bliley	Dreier	Inhofe
Boehlert	Duncan	Ireland
Boulter	Edwards (OK)	Jacobs
Broomfield	Emerson	Jeffords
Brown (CO)	Fawell	Kasich
Buechner	Fields	Kolbe
Bunning	Fish	Konnyu
Burton	Frenzel	Kyl
Callahan	Galleghy	Lagomarsino
Chandler	Gallo	Latta
Cheney	Gekas	Leach (IA)
Clinger	Gilman	Lent
Coats	Gingrich	Lewis (CA)
Coble	Goodling	Lewis (FL)
Coleman (MO)	Gradison	Lightfoot
Combest	Grandy	Livingston
Conte	Green	Lott
Coughlin	Gunderson	Lowery (CA)

Lujan	Parris	Smith (NE)
Lukens, Donald	Pashayan	Smith (NJ)
Lungren	Petri	Smith (TX)
Mack	Porter	Smith, Denny
Madigan	Pursell	(OR)
Marienne	Quillen	Smith, Robert
Martin (IL)	Ravenel	(NH)
Martin (NY)	Regula	Smith, Robert
McCandless	Rhodes	(OR)
McCloskey	Ridge	Solomon
McCollum	Rinaldo	Spence
McDade	Ritter	Stangeland
McEwen	Roberts	Stump
McGrath	Rogers	Sundquist
McKinney	Roth	Sweeney
McMillan (NC)	Roukema	Swindall
Meyers	Rowland (CT)	Tauke
Michel	Salki	Upton
Miller (OH)	Saxton	Vucanovich
Miller (WA)	Schaefer	Walker
Molinaro	Schneider	Weber
Moorhead	Schulze	Weldon
Morella	Sensenbrenner	Whittaker
Morrison (WA)	Shaw	Wolf
Myers	Shumway	Wortley
Nielson	Shuster	Wylie
Oxley	Skeen	Young (AK)
Packard	Slaughter (VA)	Young (FL)

NOT VOTING—24

Annunzio	Gephardt	Mica
AuCoin	Gregg	Roemer
Bustamante	Hammerschmidt	Schuetz
Carr	Houghton	Snowe
Conyers	Johnson (CT)	Taylor
Crockett	Kemp	Thomas (CA)
Daniel	Lipinski	Vander Jagt
DioGuardi	Lloyd	Wilson

1220

The Clerk announced the following pairs:

On this vote:

Mr. Gephardt for, with Mr. Schuetz against.

Mr. Mica for, with Mr. Kemp against.

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mrs. PATTERSON. Mr. Speaker, I was unavoidably detained during roll-call No. 45. Had I been present, I would have voted "yea."

PERMISSION FOR SUBCOMMITTEE ON SCIENCE, RESEARCH AND TECHNOLOGY OF COMMITTEE ON SCIENCE, SPACE AND TECHNOLOGY TO SIT THURSDAY, APRIL 9, 1987, DURING THE 5-MINUTE RULE

Mr. WALGREN. Mr. Speaker, I ask unanimous consent that the Subcommittee on Science, Research, and Technology be permitted to sit tomorrow while the House is in session during the 5-minute rule.

The SPEAKER pro tempore. (Mr. GRAY of Illinois). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

CONCURRENT RESOLUTION ON THE BUDGET—FISCAL 1988

The SPEAKER pro tempore. Pursuant to House Resolution 139 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the concurrent resolution, H. Con. Res. 93.

□ 1221

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for consideration of the concurrent resolution (H. Con. Res. 93) setting forth the congressional budget for the U.S. Government for the fiscal years 1988, 1989, and 1990, with Mr. NATCHER in the chair.

The Clerk read the title of the concurrent resolution.

The CHAIRMAN. Pursuant to House Resolution 139, the first reading of the concurrent resolution is dispensed with.

The gentleman from Pennsylvania [Mr. GRAY] will be recognized for 2 hours and the gentleman from Ohio [Mr. LATTI] will be recognized for 2 hours.

After opening statements by the chairman and ranking minority member of the Committee on the Budget, the Chair will recognize the gentleman from California [Mr. HAWKINS] and the gentleman from Ohio [Mr. LATTI] for 1 hour each to control debate on economic goals and policies. After this 2 hours of debate has been consumed or yielded back, the Chair will recognize the chairman and ranking minority member of the Committee on the Budget to control the remainder of their 4 hours of debate.

The Chair recognizes the gentleman from Pennsylvania [Mr. GRAY].

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, today is the day of reckoning on the budget for the U.S. Government for fiscal year 1988. You have before you a group of resolutions that offer you a choice, in the clearest possible terms, for the direction in which you wish our Nation to go in the fiscal year beginning October 1, and in the years following that.

The Budget Committee has worked diligently for the past 3 months to produce a resolution that meets the requirements of the Gramm-Rudman-Hollings-Mack deficit reduction law. Even though we have had no cooperation in this effort from the White House, and even though the Republican members of the committee refused to participate in the actual drafting, we have produced a budget that does so—and does it equitably and fairly.

The budget we are presenting achieves more real, permanent deficit

reduction than any other that's been suggested this year—including the President's. Our budget will lower the deficit by \$38.2 billion. That's almost twice as much in real, permanent deficit reduction as the Congressional Budget Office says the President's budget contains.

And, our budget will meet the deficit level of \$108 billion mandated by Gramm-Rudman-Hollings-Mack. In fact, the deficit under our resolution would be \$107.6 billion, \$400 million under the target and \$200 million lower than the President's deficit.

I believe the Members of this body should understand the full implications of our budget and the President's and have a chance to vote on them. You also will get a chance to vote on budget proposals offered by Mr. DAN-NEMEYER and by the Congressional Black Caucus.

However, it is interesting that when we went to the Rules Committee, the minority party did not present its own alternative budget for consideration by the full House. Since the Republican members of the Budget Committee did not propose the President's budget for adoption in the committee, I can only assume that the members of the minority party now realize that the committee budget is the best alternative.

And why is our budget the best? Because in contrast to the President, we made the hard choices. We achieved more deficit reduction, we set priorities, we made sure that those programs essential to America's future received adequate funding and that those less essential would be reduced.

For example, the President proposed to cut education funding by 28 percent overall, and student aid for higher education by 45 percent.

To that, the committee said no.

The President cut Pell Grants by 31 percent, eliminated the Work Study Program, eliminated supplemental education opportunity grants, and cut guaranteed student loans by over \$1.8 billion. His budget would eliminate student aid for over 1.5 million American students.

Our budget provides full funding for education and these programs.

In health care, the President's budget would cut Medicare by \$5.1 billion and Medicaid by \$1.4 billion, thus placing an awesome burden on the health of our elderly and our poor.

It would increase Medicare premiums by 40 percent, make the elderly wait longer to get on the Medicare rolls, and cut benefits for the disabled.

We in the House Committee on the Budget said no to those priorities.

Our budget assures health protection for the elderly and poor. It provides full funding for low-income, high-priority programs. It achieves some savings in Medicare, but not at the cost of health care for the elderly.

The President's budget calls for drastic reductions in community development block grants; it would eliminate subsidized housing, rural development loans, urban development action grants, the Appalachian Regional Commission, rural housing loans, mass transit operating assistance, housing for the elderly, and farm ownership loans.

The Committee on the Budget said those are the wrong priorities. We took another direction.

Our budget makes some judicious reductions in some of these programs, while fully funding others, like rural housing. But we rejected the President's plan to eliminate such programs as community development block grants and mass transit.

The President's budget would cut \$950 million from antidrug programs that we initiated bipartisanly only last year to deal with this menace. That would wreak havoc in our society, ruining lives and increasing crime.

The Committee on the Budget said "no" to that proposal. Therefore, our budget restores the cuts made in the war against drugs and drug abuse and provides \$4.1 billion for drug law enforcement, drug prevention, drug treatment and education programs aimed at stopping the use of drugs in our society.

□ 1230

The President's budget would cut medical care for veterans by \$171 million, increase the fees for Veterans' Administration housing loans by 250 percent, and even cut veterans' burial benefits. We said that is the wrong policy for those who have defended our freedoms.

Our budget provides full funding for veterans' programs and full cost-of-living adjustments for veterans' compensation and pensions. Our budget also assumes a full cost-of-living adjustment, which is estimated at 4.1 percent, for all Social Security recipients in January of 1988.

Our budget also provides adequate funding for emergency priority programs in areas like AIDS research, homelessness, welfare reform, training for displaced workers, and children's health programs.

We agreed with the President that AIDS research should have a high priority, but our budget provides \$436 million more for these activities than his does. We agreed with the President that homelessness is a national tragedy, but our budget provides \$550 million more to relieve this problem than does his budget. We agreed with the President that our welfare system needs drastic reform. Our budget provides funds for welfare-related job training programs. But it requires that the welfare reform package will not increase the deficit.

We agreed with the President that funding is needed to retrain dislocated workers. Our budget will accommodate that funding. In addition, our budget provides additional funds to improve children's education, health, and welfare.

For example, whereas the President's budget would reduce handicapped education, our budget would increase funding above the current level. We also call for increases in child welfare, title 20, and an increase in the proven program of Head Start.

Mr. Chairman, that is only a small sample of the differences between the President's budget and the one recommended by the Budget Committee. Over the next several hours the Members will have a chance to choose between our budget, which achieves real permanent deficit reduction in a balanced, fair and equitable manner, and the President's budget, which has less deficit reduction and is severely imbalanced between defense and domestic needs. The issue of balance is extremely important. In our budget recommendation we call for half of the spending cuts to come from the domestic side and half to come from the Pentagon side. Then, in order to achieve reductions in the areas of non-essential Government services such as the ones that we have outlined, we have called for cuts ranging from 3 to 12 percent.

We have provided no one-time, quick-fix asset sales, as in the President's budget, which gives the appearance of deficit reduction in fiscal year 1988 but are not repeatable in 1989 and 1990. The House budget resolution says that if we are to have permanent deficit reduction, the spending reductions must be real and they must be permanent. We have \$37 billion more real deficit reduction in the 3 years 1988-90 than does the President, simply because we make the real choices.

If we do not act on this budget, then we face the prospect of sequestration, which would cut both defense and domestic programs in the most indiscriminate and damaging way. Under sequestration, defense spending would be cut by \$24 billion in outlays and \$60 billion in budget authority. This would require cuts in both military and civilian personnel and would seriously damage the Nation's military readiness.

Under sequestration, domestic programs would be cut by 20 percent. The budget for education and training would be reduced by \$5 billion, the budget for transportation would be cut by \$3.85 billion, and the budget for health research would be cut by \$1.3 billion. None of us in this body wants this kind of decimation, and under the budget proposed by the Budget Committee we do not need to have it. In-

stead, we can vote for a budget that achieves real and permanent budget restraint and at the same time sets sensible priorities for the important programs of the Federal Government, from national defense to domestic needs.

The choice will be ours. The House Budget Committee proposes less new revenues than proposed by the President, using his own definitions. The President proposed \$22.4 billion in revenues; we propose \$21.85 billion. We also propose that those revenues, unlike the President's, would be used only for deficit reduction. We call for any new revenues to go into a deficit reduction trust fund, whereas the President uses many of his revenues for increased spending in the Pentagon.

We say, let us cut spending equitably on the defense and domestic sides, \$8.75 billion in each area, and then take all new revenues that are raised and apply them to deficit reduction. That way we can have a deficit reduction program that is real, that is permanent, that is repeatable, and that can assure the American population that we will move away from the policies of spend, spend, borrow, borrow.

Mr. Chairman, I say to my friends that this budget resolution is probably not one that any of us would design if we could design it only by ourselves. But it is a resolution that meets the needs of the Nation and reconciles all of the great regional interests of this Congress, whether it be in Maine or Texas, California or South Carolina, Michigan or Florida.

This resolution, I believe, represents the best policy possible in terms of a consensus on a budget that can be passed by this body, that achieves real and permanent reductions, and that can be implemented and make into law.

I urge the Members during the next 2 days to look at all of the choices. When we look, let us remember that, at the end of our debate, we must pass a resolution. The challenge for each and every one of us is to send a message to the American people, that Congress is serious, that we do plan to dry up the sea of red ink, and that we are prepared to make the hard choices.

Mr. Chairman, I would point out to my friends that what the Budget Committee did was not easy. It was difficult. Many committee members had to reduce programs that were near and dear to them. But we did set priorities, we did make those choices. To those who would find fault with this budget, who would criticize the revenues with the old political rhetoric of tax and spend, who would find fault with the defense number or some specific domestic reduction, I would ask this question: Where is your budget? Which one will you vote for? You can

choose among four, including the President's. I submit that you ought to make a choice.

At the end of the day, Mr. Chairman, I believe that the Members will find that this budget represents the best choice, not simply for Democrats but for Democrats and Republicans alike. Most important, it represents the best choice for America.

□ 1240

Mr. LATTA. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, at the outset, let me remind my colleagues that the budget resolution that we are eventually going to be voting on for real is a committee document. Not the sequestration document, not the President's document that the chairman took so much time to condemn, but the product that they have fashioned as the majority part of this House.

I might say that I have a letter from the Congressional Budget Office, dated April 7, 1987, about how the Congressional Budget Office sees this budget. Let me just read one sentence:

The committee's draft report language in many instances does not provide sufficient information on proposed policy changes for CBO to provide an independent estimate.

Let me say that heretofore we have had before this body a CBO estimate. Budgets have been costed out, but not this particular budget that has been hastily brought to the floor.

This budget being proposed by the majority should evoke no pride of authorship in that section of the Democratic Party where it originated. It has too much of what is wrong for America today, too many taxes, too little for national defense, and too much wasteful or misplaced spending. Not one piece of legislation or not one program heretofore passed by this Congress that was unneeded is being touched, terminated, sunsetted under this proposed budget.

Every poll that has been taken indicates that the American people want less spending, less spending. They want to terminate some of these programs that we do not need. They want to reduce drastically some programs that we are spending too much on. They do not want to see any more taxes, and that is about all you are going to see here in this proposal before us today if it is passed.

Sound-thinking Members of both parties should join in rejecting it. Once it is consigned to the trash can, a true bipartisan effort can be made to develop a budget which could work. It should be a budget which avoids a big tax increase and provides for essential national defense requirements and other needed programs, and reduces the deficit by relying primarily on cutting, eliminating those programs that are not needed.

We have heard the chairman indicate that there are less new taxes in this than proposed by the President. Well, let us examine that statement. The President was proposing user fees and the sale of assets. He was not proposing \$18 billion in new taxes. Then in this budget they are going to say to the Ways and Means Committee, "Come up with \$18 billion of new taxes."

Here are some of the principal reasons why this Democratic budget should be voted down. As one might expect, it calls for almost \$22 billion in taxes and user fees. Of this total, \$18 billion would come from unspecified tax increases. Some of the possibilities for raising this much in taxes include, and Speaker WRIGHT has already pointed out: A stock transfer tax that would hit pension plans most severely. Or a package of excise tax hikes that would include doubling the cigarette tax, raising beer and wine taxes, and putting a 12-cent-a-gallon increase on gasoline, or delaying the income tax rates scheduled to take place next year under the tax reform bill that we passed just recently.

Probably not many of our constituents would welcome any of those big tax increase alternatives. It would appear that the Democrat majority in the Budget Committee forgot that the American people soundly rejected proposals for tax increases in the 1984 election. I see nothing to indicate that the people have changed their feelings about these tax increases. Are my colleagues willing to gamble that the voting pattern will change in 1988? I would also remind those Democrats on the Budget Committee especially that President Reagan has pledged to veto any new broad tax increases.

The Democrats also promise to keep that \$18 billion in new taxes in a "specified reduction account." This has been correctly described as hokum. Everybody knows that one Congress cannot bind another and tell them not to spend money. If you spend it now, what difference does it make? If you do set up an account, the money has already been spent.

The budget would endanger our national security by the cuts it mandates in defense. The budget would cut defense outlays by \$9 billion more in 1988 and by \$42 billion over 3 years from 1988 through 1990. Defense authority would be cut by \$14 billion in 1988 and by \$51 billion over 3 years. Did we have testimony before the Budget Committee that would justify such reductions? No, we did not. No, we did not.

Because it assumes proportional cuts in all defense accounts, troop strength would have to be cut by 100,000 to 300,000, and we would return to the Carter days of spare parts shortages, weapons moderniza-

tion would be stretched out resulting in higher costs per weapon.

This budget means that for 5 straight defense years we would suffer real cuts in this area. This year alone, there would be a 5-percent real cut on top of back-to-back real cuts of 3 percent and 2 percent in the previous 2 fiscal years. In fiscal year 1989 and 1990, the Democrat's budget allows only 3.6 percent and 3.8 percent increases respectively instead of the 4.5 percent per year estimated by CBO as necessary just to keep pace with inflation.

It makes cuts in other necessary programs including space and agriculture. Everybody knows that agriculture is flat on its back. Here they would make those reductions in that area.

The American consumer, in addition to having to pay higher taxes, would be adversely affected by many of the details in this budget. For example, the Democrat majority plan falls short of what the administration had proposed for the air traffic safety, thus, fewer air traffic controllers and safety inspectors could be hired, and air traffic delays and safety problems would mount.

The budget would also impose what amounts to an oil import fee. This would be passed on to consumers in the form of higher heating oil prices. The budget also would freeze the amount being paid for processing Medicare claims, even though an increase is needed to keep the claims from piling up.

This budget is replete with smoke and mirrors despite the promises of the Democrat majority to stay away from such gimmicks this year. For example, a \$50 million increase in receipts from oil and gas leasing is assumed despite a sharp drop in lease filings in the past 5 years, and a distinct possibility that filings may decrease even if Democrats institute a plan to increase the filing costs.

The Democrats also call for a 3-percent pay raise for Federal civilian employees by saying it must be absorbed by squeezing agency budgets. More than \$14 billion in those so-called offsetting receipts, and \$10.6 billion in revenues would come from using the economic and technical assumptions of the President's budget, assumptions which have been roundly criticized as unrealistic by not only the chairman of the Budget Committee for several weeks earlier this year, but other members of the committee, and lo and behold, they come up and use the same statistics in their budget.

□ 1250

This budget calls for some massive new spending, despite the fact that we must reduce the Federal deficit to cut our trade deficit, as well as to meet the requirements of the Gramm-Rudman-Hollings law. For example, welfare

reform, instead of being deficit-neutral would cost \$5 billion more than existing programs during the next 3 years.

No attempt is made to eliminate or sharply reduce unnecessary spending, such as on Amtrak subsidies or on duplicative grants to states and local governments.

Why can we not do something about these things—duplicates, grants to State and local governments. Every time somebody steps on an Amtrak train it costs you \$27 in subsidies. Why does the taxpayer have to do that? Why don't we put that on the desk? Why are they not calling for something to be done about it?

This budget will not make the deficit reduction it promises. Out of an advertised \$38.2 billion in fiscal year 1988 deficit reduction politices, only \$21.8 billion would be reconciled. The remaining savings depend on enforcing appropriations ceilings. Our procedures for keeping appropriations within ceilings are very weak, and everybody knows that; so basically this is just another "tax and spend" budget from the Democrat majority on the Budget Committee, with the taxing and spending coming in all the wrong places. It is time for a truly bipartisan approach to developing a budget that will work.

I know the Democrats on the Budget Committee claim they offered Republican members of the committee a chance for bipartisan cooperation, but what did they do? Instead of coming forth with the chairman's mark, as I explained in the debate on the rule, they came forth with last year's budget. Well, any little child from off the street could have brought that budget and said, "Here it is. Here is our product. Here is where we start." We are not about to play that game.

Then they railroaded their budget to the committee, offering us only a one-page markup document as explanation.

Now, I call on Democrats and Republicans alike to vote down this truly bad budget when the time comes so that we can start anew, so that we can make some reductions in the programs that mean to reduce spending, something the American people want, not new taxes.

I know that as another political ploy the Democrat majority on the Budget Committee introduced a sequester budget, and that is the working document. They argue that Congress would be faced with massive, mechanical cuts of an automatic sequestration if we do not adopt their budget.

Now, I do not think this Congress should permit itself to be put in this box, and that is what they are attempting to do.

After all, it is the Democrat majority that has the responsibility to present a decent budget. They have not done so. If the majority wants to totally

wreck our defenses, our space effort, law enforcement, and aid to veterans, among other things, it can do so. The best thing to do would be to vote down both the Democrat majority budget and the sequester budget the Democrats introduced as a ploy. Then you will be telling the Democrat majority on the Budget Committee that it is time to end the political games and produce a responsible budget.

The CHAIRMAN. The Committee will rise informally.

□ 1254

ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER pro tempore. (Mr. MURTHA) assumed the chair.

The SPEAKER pro tempore. The Chair lays before the House the following enrolled joint resolution.

H.J. Res. 200. Joint resolution to designate April 10, 1987, as "Education Day U.S.A."

The SPEAKER pro tempore. The Committee will resume its sitting.

CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1988

The Committee resumed its sitting.

Mr. GRAY of Pennsylvania. Mr. Chairman, pursuant to the rule, I yield 1 hour and 5 minutes of my time under general debate to the gentleman from Wisconsin [Mr. OBEY].

Mr. Chairman, I ask unanimous consent that the gentleman from Wisconsin [Mr. OBEY] be entitled to yield time.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. LATTA. Mr. Chairman, will the gentleman yield?

Mr. GRAY of Pennsylvania. I yield to the gentleman from Ohio.

Mr. LATTA. Mr. Chairman, the reason I have asked the gentleman to yield is that by way of explanation to the new Members we will now be debating Humphrey-Hawkins for the next 2 hours; is that correct?

Mr. GRAY of Pennsylvania. The gentleman from Ohio is correct. I am yielding the time, as required by the rule, for debate on Humphrey-Hawkins. The gentleman who will begin that debate is the gentleman from Wisconsin [Mr. OBEY].

Mr. LATTA. Mr. Chairman, if the gentleman will continue to yield, should the gentleman from California and the gentleman from Wisconsin need additional time, we will be happy to yield them additional time.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. OBEY] for 1 hour and 5 minutes.

Mr. OBEY. Mr. Chairman, I yield myself 15 minutes.

The CHAIRMAN. The gentleman from Wisconsin [Mr. OBEY] is recognized for 15 minutes.

Mr. OBEY. Mr. Chairman, before I begin, I would simply like to take note of one thing. The gentleman in the chair, Mr. NATCHER, has presided over this House on a good many occasions. I do not know on how many occasions he has presided over the budget resolution, but it is—how many times? I am told it is seven times.

I would say that the gentleman from Kentucky [Mr. NATCHER] now in the chair has become quite an institution in this place in many ways, but none of those has been more distinguished than the manner in which he has presided over this House in the many times he has occupied that chair on behalf of the House.

Mr. Chairman, I am in a sense standing in for Chairman HAWKINS of California to begin the debate on the Humphrey-Hawkins portion of the budget resolution debate.

I think the best way to do that, rather than focusing on the shortcomings of Government performance in terms of meeting our unemployment obligations and other obligations, which are certainly important, is simply to discuss the process itself and what has happened to the House because of the way the process has been followed in the past few years.

As we all know, and as the gentleman from Ohio indicated previously, the committee's resolution this year is based upon the economic assumptions provided for in the administration's budget. I frankly am not happy about that. I think there are grave questions about the accuracy of the administration's estimates. I think it presents a real impediment to the ability of the House to understand what we will eventually be faced with in October. But the fact is, I do not think the committee had any choice. The fact is that since 1921 the administration—any administration—has been given the power and the duty to initiate the budget process by sending its own budget to the Congress for review. Since the administration has 90 percent of the resources available to anyone in the Government to establish and put together a budget, that means that if the administration's budget is based on assumptions which are erroneous or not seriously taken from the beginning, that means that the entire process itself is handicapped. It means that when we are discussing problems related to the budget process, we ought to be asking the fundamental question.

Many people in this House are saying, "We've got a problem with the budget process. We've got to do something about it."

I would suggest that however this House handles the budget, it is going to have serious problems until the ad-

ministration itself deals with the budget in a serious way, because the administration, any administration—is in practical terms the big gorilla on the block. If they in essence screw up the process before it begins by sending down a resolution which is not based on sound assumptions, then it is very difficult for anyone else to play a real game.

The practical facts of life are simply that if the administration says the game is going to be played in Wrigley Field, we cannot then try to play the game under rules which would say, "Well, it's a home run if it goes out in Comiskey Park." We have to deal with the lay of the land as presented by the administration, with all of the problems that causes.

□ 1300

I would say something else as well. I have served under a number of administrations, both Republican and Democrat. I came to this Congress 18 years ago last Wednesday, and I served under President Nixon, President Ford, President Carter, and now President Reagan, proudly under all of them.

But I would say that this is the first administration under whom I have served which has not taken seriously their obligation to present a serious budget. You could debate about the priorities in the Nixon budget or the Ford budget or the Carter budget—and God knows, I did. I differed with all of them in significant respects. But the one thing that you would have to grant each of those administrations is that they took seriously their obligation to begin the process in a serious way, and they defined budgets which I think people felt generally were realistic in terms of the economic assumptions upon which they were based. So the Congress itself as an institution dealt seriously with each of those budgets presented by those administrations.

This is the first time since I have been in Congress that Presidential budgets have not been taken seriously even by the party of the President in this House and in the Senate. This is the first time—this administration is the first administration, I should say—which has sent budgets to Capitol Hill which were recognized as being dead on arrival before they ever got here because they were filled with such quaint assumptions or phony numbers.

I would suggest that therefore if people are looking for ways to fix the budget process, as is most often the case, it is not the process itself which needs to be repaired. It is rather the habits that people can fall into in abusing that process and not treating it seriously by sending down realistic budgets.

I think that we have no choice, even though I do not like it, but to base our economic assumptions on the assumptions sent down by the President, because the fact of the matter is that if we do not, it is always easier in a legislative situation to have phony numbers look better than real numbers, and that is where we are stuck today.

Using the administration's assumptions the Budget Committee has proceeded, and I think that it has produced, on balance, a document which is going to be much more successful in providing economic growth for this country than the budget presented by the President.

We have had a serious problem in this country really since 1973. Real income, real family income in this country has been stagnant. Young families have had to put two people into the work force in order to attain the same standard of living which they used to be able to attain with only one person in the work force. That has created tremendous strains, not only on family budgets, but on family cohesion as well, I would suggest.

I think that the Gray budget proposes a much more sensible and sensitive way to try to assure adequate economic growth in the future, even though I think that it is obvious that neither of these budgets is going to be able to, for instance, bring unemployment down to the level that we would like to see.

If you compare priorities of the administration with the priorities in this budget as they relate to economic growth, I think that it is obvious that the Gray budget is far superior. I think, for instance, that it is obvious that you are not going to do justice to the ability of all people in this society to participate in the economic growth and economic health of this society if we do as the President suggests and provide approximately \$5.8 billion for star wars, as the President suggests, but in effect finances that by making a \$5½ billion reduction in education and eliminating vocational education. I do not think that we contribute to the competitiveness of this country when we eliminate Federal support for vocational education or when we reduce harshly, as the President's budget does, other Federal support for education.

I do not think that we contribute to the ability of this economy to grow when we are less willing to invest in human beings in comparison to the willingness which we have demonstrated to invest in plant and machinery.

Last year, as Members know, I was the chairman of the Joint Economic Committee, and the last set of hearings that I held related to the challenge presented to this country by Pacific-rim countries. Witness after wit-

ness testified that by the year 2010 Japan had a very large possibility of being the largest, most powerful economic player in the world.

I do not think that that is quite what an entire generation of Americans had in mind when we fought World War II, but nonetheless that is what we were told. In my judgment if we allow the Japanese to become the best-educated and best-trained work force in the world, and I think that the President's budget in contrast to the Gray budget certainly allows too much of that to happen, I think that we are absolutely nuts.

We have to have the best-trained, the best-educated work force in the world. The Gray budget does a much better job of doing that than does the administration budget, and in that sense it certainly makes a much greater contribution to the economic prosperity of this country.

If you take a look at where we are going to be in 10 years economically, the President's budget I suppose gives us a fair prescription for enabling us to run very successfully a weapons race, an arms race, with the Soviet Union. But I would suggest that in the process of concentrating almost exclusively on that race, it neglects to a dangerous degree the other race which we are trying to run, the economic race, with our economic competitors all around the world.

We cannot afford to so focus our public investments that we provide a doubling of the military budget over 5 or 6 years' time, but a squeezing on the human side, a squeezing on the human development side, a squeezing on the job-creation side, to the point that we, in essence, are providing almost unilateral disarmament in the economic competitive race which we have with Japan and other countries around the world.

I would like to make one other point as well, because in this place I also wear another hat as chairman of the Foreign Operations Appropriations Subcommittee. As chairman of that subcommittee I have the distinction of I think being the only appropriations subcommittee chairman in the history of this Congress to ever receive a letter from the Office of Management and Budget, which is the President's budget office, of receiving a letter from the Office of Management and Budget last year saying that they were going to recommend a veto of my foreign-aid bill because we spent too little money.

Normally we see the administration posing for political holy pictures about their efforts to save money in spite of the fact that the Appropriations Committee, every year but one that the President has been in office, has spent less money than the President asked for. But on that occasion the administration indicated that we ought to

spend more money than the Congress was willing to spend on foreign aid.

We are in the same position again this year. Despite the fact that Gramm-Rudman requires us to make massive reductions in Federal spending and massive reductions in the Federal deficit, the administration has asked us to increase military spending by a very large amount, and to increase foreign assistance, again largely concentrated in the military area, by about \$2½ billion.

The Gray budget redresses that imbalance. The Gray budget provides much more equal treatment between the domestic side of the ledger and the military and foreign side of the ledger. The Gray budget, no doubt about it, will require tough cuts in the area of foreign aid, but I do not know how else you spread the pain around and share it equitably than by doing what the Gray budget has proposed. And it seems to me that for those and many other reasons, we are certainly on good ground in supporting the Gray budget as an alternative to the budget presented by the administration.

I would urge Members to support it on that basis or any other basis that they think justifies a vote for it, frankly.

Mr. SUNDQUIST. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, it is interesting to me as I hear this debate and look at economic assumptions, to hear the criticism that has come up of our President's budget.

□ 1310

I do not think the President's budget is perfect. I think there are some things I would change, but that is the prerogative of the legislative branch.

Nevertheless, the President and the administration did fulfill their obligations by presenting the budget in great detail, with a lot of thought and met the timetables that were required. The Budget Committee has had hearings all over the country on the President's budget. It is now interesting to me that the majority budget that has just come out is only two pages with no detail and no hearings held around the country. The intriguing part, though, is that for the entire time that the President's budget has been on the table, the economic assumptions have been under attack with those economic assumptions now part of the majority budget proposal.

I can quote from the distinguished chairman of the Budget Committee. "I am concerned that your basic economic assumptions are flawed, and if your starting point is unrealistic, the Gramm-Rudman target in fiscal year 1988 will not be achievable."

On another occasion the chairman said, "We have now received the President's budget. I have questioned its re-

alism in terms of economic assumptions, primarily the 1988 current service deficit," and it goes on there.

Again, "My quick calculations with regard to realism show that the administration has been overoptimistic of its growth forecast."

And then again the chairman said, "I am simply saying that CBO and the econometric forecasting agencies, Mr. Secretary," referring to the Secretary of the Treasury, "are saying you are off, and you are off substantially."

Here we are today reviewing a budget proposed by the majority, with no details but using the President's economic assumptions. In structural form one would call it a skeleton, no meat on the bones. And all the economic assumptions that the other side of the aisle has been so critical of by the administration are virtually the basis for their economic forecast in this budget.

It seems to me you cannot have it both ways. You cannot criticize the President for several weeks around the country, having hearings and discuss his budget, and then come up with these skeleton numbers, with no meat on them, and use as the basis of that budget the economic forecast of the President that they have been so critical of.

So it is going to be with interest that this debate proceeds as we talk about the alternatives and find out what impact this budget by the majority will have on the people of this country.

Mr. Chairman, I yield 7 minutes to the gentleman from Minnesota [Mr. FRENZEL].

Mr. FRENZEL. Mr. Chairman, it is hard to look at the House's budget resolution without uttering the phrase, "Here we go again." The House is writing its annual letter to Santa Claus. All of us, at least most of us, would like to believe in Santa Claus, but I doubt that any of us believe that he has a bottomless wallet.

Unfortunately, this bill assumes that Santa Claus' wallet has no bottom. Most of the people of the United States understand the Congress' compulsion to spend money which it does not have and which it does not dare raise. That is unfortunate, but it is a fact of life.

The problem is that the budget resolution before us simply confirms this fact that the Congress has this fixation on spending money that does not exist.

This year we are having the second year of what I would call the egregiously funny money budgets. Last year we provided a bogus budget which could not do that which we said it could do. We said it would deliver a deficit of \$150 billion-plus. By the time we are done this year, our deficit will

be pretty close to \$200 billion, just as it has been in the previous 4 years.

Now this year we are sort of titillating ourselves and our constituents with the idea that we are going to reduce the deficit to \$108 billion. That would be funny if it were not so pitiful. What the committee has done is take what it thinks is the best advice it can get from CBO and then simply added a \$25 billion fudge factor so that it could compare its budget with the one the President presented, based on assumptions that are now more than 6 months old.

That does not do a good service to our constituents. That does not do a good service to the Republic. I think it taints the honor of the House and makes us all look like we have turned the budget process into some kind of a carnival, the midway at the State fair where we delight in telling each other bigger and better stories about the sights we will see within the tent.

Mr. Chairman, this is a very serious matter and the House has never taken the budget process seriously. Clearly this year's budget, presented by the House Budget Committee, does not take it seriously either.

The trouble is, the hardest people in the world in the long run to kid are ourselves, because every Member of this body knows that that budget is a fake, it is bogus, it is funny money. And when we get done, we may have reduced the baseline somewhat from this year, but we will not be anywhere near \$108 billion. It means that next year we are going to have to invent some more tall stories to tell ourselves and to tell our constituents.

I would far rather have abandoned the Gramm-Rudman targets than to have pretended that we have any possibility whatsoever of hitting them, because we have no possibility of restraining ourselves. That to me is the really sad fact about this particular budget.

We are going to go on. I presume the House will pass its budget today, and the other body will probably pass something more realistic, but maybe it too will succumb to this funny money concept of ours. We used to call it smoke and mirrors. I think in smoke and mirrors there is at least some fun in the performance. There is no fun in the presentation of this budget resolution.

But maybe the other body will do better. In any case, we will finally have a budget resolution. We will go out and raise taxes by some 20 billions of dollars. We will cut almost nothing, since even the feeble cuts that are suggested by this resolution are not reconciled. That is, about half of them are not reconciled. I note with some dismay that my own committee has to take 90 percent of the reconciliation, and it will do it, and it will meet the targets, and all of the other commit-

tees will laugh and chuckle to the bank and borrow some more money against the children and grandchildren of our constituents to finance all of these wonderful programs that we cannot do without, saddling those future generations with the cost.

So what we are doing is kidding ourselves. We would be much better off without this budget.

When the budget procedure was passed and began back in 1974, a number of us thought that the Congress was serious about it. Clearly we have not been. In the latter 1970's the budget process was used as an engine to actually increase Federal spending. Lately it has been simply no restraint or no impetus, a neutral fact as the Congress has gone forward with heavier and heavier spending.

Mr. Chairman, last year the gentleman from Colorado [Mr. BROWN], the gentleman from Illinois [Mr. PORTER], and I introduced a budget which we thought might excite some interest in the House of Representatives.

□ 1320

We went to the Rules Committee and the Rules Committee approved everybody else's budget, which to us did not make sense. It approved a Black Caucus budget, a budget buster, as a matter of fact; it approved a budget presented by the gentleman from California [Mr. DANNEMEYER] which attracted very few votes, and ignored ours.

This year we have again produced a budget which is based on freeze although it does not freeze Social Security COLA's. It calls for a freeze in defense, and when couched in the funny-money standards of the Budget Committee's budget it only requires \$4 billion of new revenues, which could easily be accomplished by extending the telephone excise tax and closing the so-called ESOP loophole.

We did not even go to the Rules Committee this year because we knew that we were not going to get considered again. That is the pity; the House does not even open up the process so that we have any kind of options. Probably in the future I will still not go to the Rules Committee and the House will continue to pass budgets which are greeted by disdain and laughter from all sides.

I am going to vote against all the budgets today, and that is probably the only happy result if we could get left with some kind of a sequestration procedure. That is the only way we are ever going to get reductions.

Mr. SUNDQUIST. Mr. Chairman, I have no requests for time presently, and I reserve the balance of my time.

Mr. OBEY. Mr. Chairman, I yield myself another 5 minutes.

Mr. Chairman, those of you who know me in this House know that I often refer to my favorite philosopher.

It is not any famous philosopher, it is a philosopher by the name of Archie the cockroach.

Archie was a character who was created by a writer by the name of Don Marquis back in the 1920's.

He was a fictional character, a little guy, a poet who had died and came back to life in the body of a cockroach.

He lived in a newspaper man's office, looked a lot like MURTHA. He would crawl out of the woodwork every night and dive head first on to the typewriter keys, and he typed his little messages which appeared in the newspaper the next day. And one of the things that he said was, "Did you ever notice when a politician does get an idea, he gets it all wrong?" I kind of think that is the phrase I would use to describe the administration's budget.

I would also use another saying of his to describe the position of the minority on this budget process today. He said "the fellow who is rowing the boat generally doesn't have time to rock it."

I would suggest that is what you have going on here today. You have one party trying to row the boat in this House and the other party trying to rock it.

Now I would just like to address the complainers made by some of the previous speakers.

It is suggested, first of all, that since we criticized the original economic assumptions contained in the President's budget that therefore there is somehow something very funny going on if the Budget Committee and the House then choose to proceed on the basis of the President's assumptions.

Well, I would say you should remember the old saying, "Fool me once, shame on you; fool me twice, shame on me."

A lot of people around here may not have much by way of institutional memory, but the problem with people like me is that we were here in 1981. We had, under Chairman Jones, who was then chairman of the Committee on the Budget, a budget resolution which was based on economic assumptions which we thought were more realistic than the assumptions laid out by the administration. And the President, after he recovered from his surgery, came up here, stood in this chair and beat our brains out because he used his economic assumptions in order to try to imply that our budget, because we were using more realistic assumptions, somehow spent more money and had a larger deficit. The fact is that if you used updated economic assumptions, fresher economic assumptions, the budget produced at that time by Congressman Jones' committee was much better in terms of spending levels and much better in terms of the overall deficit level.

But the fact is, the realistic fact in this town, is there is only one fellow who has a megaphone, and he is not located in this Capitol. He is located up at 1600 Pennsylvania Avenue.

So the fact is that even though the budget presented by Congressman Jones and the Budget Committee at that time was far better in terms of fiscal restraint and deficit restraint than that proposed by the administration, you could never get people to seriously consider that because the President simply used what we regarded as phony assumptions at that time to bury us. So what you really have here today is a simple recognition of political reality, even though we do not necessarily like it.

What we are saying is, "All right, Mr. President, we think that your economic assumptions are faulty, we think they are too optimistic, but if you insist on using them we will play by your rules." Only in the Congress of the United States, I suppose, would playing by the other fellow's rules be considered as being unfair. But I guess some people want to take that position. So be it.

The other point I would simply make is that there has been significant criticism—well I guess it is volatile but not significant—of the fact that there is not sufficient detail to be found in the Budget Committee product.

I would simply make the point. Too little detail is better than no detail at all. It is pretty hard to have detail when you do not even have a budget. In contrast to the Gray budget, which is there for everybody to see, there is no budget being presented by the Republican leadership on this side of the aisle. They have, in fact, decided not to present a specific Republican alternative. We have individual alternatives being offered, but certainly no alternative budget being offered on behalf of the minority party in contrast to the fact that we do have a budget being offered on this side of the aisle.

So it seems to me quaint indeed for people who are not producing a budget of their own to squawk about the fact that they do not have as much detail in the Gray resolution as they would like.

I would also urge you to keep in mind that the budget resolution was never supposed to be a detailed road map. When the budget process was first established the idea was that you would set the general guidelines for spending and then afterward the specific actions would be taken by other committees who have specific program jurisdiction in those areas. That, in fact, is what the Gray amendment does.

Now it is true—as the gentleman from Minnesota says—it is true there are some things that the Democratic Party in this country believes are

worth spending money on. It is true, we do believe that sick people ought to be cared for; we do believe that uneducated kids ought to be educated; we do believe that people who are out of work ought to be given job training; we do believe that it is necessary in the interest of both social cohesion and economic performance to fight a war against drugs and drug abuse. And we make no apology for that. We are willing to not only support those programs but to try to find ways to pay for those programs in order to avoid the even larger costs that would be visited upon this society if we do not address those very real problems.

I would suggest if we want to see strong economic performance, we are going to have to have a strong war against drugs. We think the President's budget makes a mistake by cutting a billion dollars out of it.

You remember all of the political holy pictures that everybody was posing for on the drug issue last year, from the President on down, when he tried to nationalize the election by making drugs a national issue.

Lo and behold this year he cuts the antidrug effort by a billion dollars and this budget restores it.

Cutting aid to the handicapped: Again we do not think you improve the productivity or the justice of this society when you cut aid to the handicapped as the President's budget does.

□ 1330

We are willing to provide aid for the handicapped and to pay for it.

Medicare: The President's budget cuts over \$5 billion in Medicare. The gentleman from Pennsylvania [Mr. GRAY] has a budget that saves \$3.5 billion of that cut. We think that is just; we think it is sensible.

I would rather have \$36 billion of real deficit reduction, as we do in this resolution, than to have a greater deficit reduction which is, in fact, a phony reduction which will never take place. That is, in fact, what we have in the administration's proposal.

I would simply say that, again, most of the objections raised to the Gray budget are without merit, either in budget terms, in humanitarian terms or in economic terms.

I will say that I do agree with the gentleman from Minnesota [Mr. FRENZEL] in one respect. I do think we have some serious problems with the budget process. And as people know on both sides of the aisle, I have proposed, along with others in a bipartisan basis, a comprehensive way to deal with the defects in the existing budget process.

I think we ought to have a way in which we can provide for all of our macroeconomic judgments and our microprogram judgments to be made simultaneously so that you cannot pretend that you are dealing with problems by dealing with aggregate num-

bers when, in fact, you are not taking into account the specific impact on specific programs or vice versa.

I also do believe we ought to have a process under which we do deal with all revenues and all spending at the same time. Most importantly, in contrast to the Gramm-Latta budget in 1981, I think we need to do that under a process which gives every committee of jurisdiction an orderly window into the process so that they can bring their specific suggestions and objections to anything that happens onto the House floor.

We have laid out legislation to do that, but the fact is that there is not an opportunity under these circumstances for serious consideration of something like that. So we have to move on as best we can under the existing process.

I think the committee has done an excellent job. There are never very stirring reasons to vote for budget resolutions, but the fact is that we come here not to escape accountability, but because we seek accountability. We seek responsibility because we want to do the right thing.

It seems to me that the choice we have here today is between no alternative being presented by the party on that side versus an alternative on this side that is much more realistic, that is more honest and much more frank than the administration's budget about what needs to be done in order to patch this country back together.

I urge the Members to vote in favor of this resolution.

Mrs. JOHNSON of Connecticut. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentlewoman from Connecticut.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I appreciate the gentleman's commitment to reform, but I am curious about his comments on the detail proposed in this budget proposal.

We have a whole Congressional Budget Office whose sole purpose it is to help us write a responsible document that will lead the Nation through the next year in a clear and decisive fashion. There is not enough detail in this budget for our own Congressional Budget Office to be able to cost out what you are proposing and certify that, indeed, it will achieve what it is supposed to achieve.

We have had, at other times in our history of the House here, a budget proposal certified by the CBO. When we have that little detail, I do not see how we can address our needs in the way that, in many other parts of the gentleman's statement, I agree that we need to.

Mr. OBEY. Mr. Chairman, I thank the gentlewoman for her comment. I would simply make this observation: Your party is proposing no budget

whatsoever. There is no way that we can examine your budget because you are not even offering one. At least we are offering a budget which gives an opportunity for people to make some choices.

The second point I would simply make is that I think there is sufficient detail in this budget to know in general where it is headed. I would suggest that if we wanted to be in a position where we were proceeding with a little more clarity, Members on your side of the aisle in the Committee on the Budget would have taken up Chairman GRAY on his gracious offer to participate—in open markup—to participate in the votes by which a budget was constructed.

You decided to vote "present." By doing that, you abdicated your responsibility, and it seems to me that that is a shame.

I would also suggest that for anyone on this side of the aisle to object to a lack of detail on any resolution, I would simply urge that we remember the Gramm-Rudman time of 1981 when we were asked to pass an amazingly radical document without so much as having an opportunity for any Member to have a copy of it.

Mr. HAWKINS. Mr. Chairman, how much time do we have remaining?

The CHAIRMAN. The gentleman from California [Mr. HAWKINS] has 38 minutes remaining.

Mr. HAWKINS. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. NOWAK].

Mr. NOWAK. Mr. Chairman, I rise in support of the budget resolution, but as chairman of the Water Resources Subcommittee of the Public Works Committee I wish to express my concerns about the proposed reductions in the water resources development programs. Certainly programs such as the Clean Water Act—which the Congress overwhelmingly enacted over a Presidential veto—the Superfund Program, and Corps of Engineers water resource development are activities that deserve our support. It was only last fall that the Congress, ending a 16-year deadlock, passed a new Water Resources Act that included comprehensive methods for determining the Federal and non-Federal share for all types of water resource projects. We should not abandon these efforts.

I would hope that throughout the budget and appropriations process adequate funds can be made available to insure that the urgent water resources needs of our country can be met.

Mr. HAWKINS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this marks the 9th year that we have discussed the economic goals and policies underlying the budget resolution. Yet, during

these years, budget deficits have soared from a manageable \$40 billion in 1979, to the almost uncontrollable \$221 billion for 1986.

Despite the attempts of some of us to focus on the real causes of the deficit and the need for a balanced comprehensive approach to economic decisionmaking, we continue to find ourselves midstream on a life raft, plummeting down river in an unstoppable current leading to the deadly waterfalls. No matter how hard some of us in the raft try to paddle back upstream, or to shore, the majority continues to go with the current, despite the disaster at the end of the ride.

It seems we have a hard time admitting error. As an old proverb goes, "An old error is always more popular than a new truth." And so it goes with our yearly grappling with our revenue and spending decisions.

But, as another saying warns, "To err is human, but when the eraser wears out ahead of the pencil, you're overdoing it." Well, I believe this body has used up more than its share of "erasers." It is time to strengthen our future by attacking these crippling deficits at their source.

We focus on the aggregate deficit numbers, but forget about the real deficits: The deficits in education, the deficits in employment, and the deficits in health and housing. More than 20 million people are illiterate, 14½ million jobless and underemployed, and over 33 million adults and children live in poverty.

The period since the early 1970's has been one of economic stagnation and increasing poverty and inequality, especially for families with children. From 1973 to 1985, the average annual income level for families with children, declined 6.6 percent. For lower and middle income families, the drop was far worse—32 percent for the lowest fifth, 18 percent for the second fifth, and 7 percent for middle-income Americans. At the same time, the percentage of families with children in poverty increased a whopping 46.5 percent.

This decline in family income is not surprising. The minimum wage has not risen in 6 years. In addition, due to plant closing, shift cutbacks and international competition, millions of other workers have been forced out of good paying jobs into alternative low-paying jobs with short hours, small benefits, and bleak futures. Many former manufacturing employees are growing disillusioned and are wondering if they will ever earn real money again.

I am one of those people who believe the American public just won't stand still for such economic and social insensitivity on the part of their elected officials. Our history has shown that people will only take so much before they become galvanized into political

and economic mobilization. As the playwright Connolly in his Broadway hit from the first half of this century, "The Green Pastures" had a character say, "Everything that's nailed down, is coming loose."

Well, the American public has seen the light, so to speak, and is far ahead of us. According to a recent time magazine poll, 77 percent of the public feel that in the future the Federal Government should play a more active role in such areas as health, housing, education, and help for the poor; 69 percent said they would spend more on social programs than on the military if they had to choose between the two. And 60 percent said they would support increased spending for social programs even if it meant paying more in taxes.

But, raising revenues, is not the only solution. The problem is that the money is not being spent in the right place.

As between fiscal year 1981-87, interest on the debt went up 53 percent; defense spending shot up 40 percent, while domestic discretionary programs like education, training, housing and community development, and other vital priorities plummeted 21 percent. At the same time, revenues rose only 11 percent, hardly enough to supply the resources needed to feed the Defense Department and make interest payments.

The real problem is that our spending and taxing decisions are imbalanced; they are not based on the priorities of the American people, and they have resulted in \$220 billion deficits. What we have here, is self-imposed trauma to the economic health of our Nation. And only through a self-imposed strategic change of direction can we restore our country toward attainment of a clean bill of health.

As scientist and author Isaac Asimov has said, "Things do change. The only question is that since things are deteriorating so quickly, will society and man's habits change quickly enough?"

I believe it is not too late to put the budget resolution into the proper context. We should not merely forecast the economic assumptions upon which our spending and revenue decisions are made. Relying on questionable economic forecasts for the budget decisions of the recent past put us between the rock and the hard place we find ourselves in today. As the full employment and balanced growth act requires, we must set goals for the reduction of unemployment and inflation; we must set goals for economic growth; and then the expenditure and tax decisions we make today should be the means for achieving those goals.

We must invest in priority programs like compensatory education and job training to increase our international competitiveness. We must help people escape the dependency of welfare by

making job training, basic educational skills, and affordable quality child care available so that they can become productive, self-sufficient workers. We must invest in programs which provide adequate nutrition and health care for the poor, so that people with healthy minds and bodies can meet their individual potential and contribute to our society. We must invest in distressed urban and rural areas so that our Nation does not crumble from within.

Adequately funding these and other domestic priorities are the surest way to reduce deficits and achieve balanced economic growth.

As elected Representatives, we must advocate a better future for our citizens and our society. We must not fall into the trap of complacency, where we merely "go along, to get along." As an old writer once said, "There is no medicine like hope, no incentive so great, and no tonic so powerful as expectation on something tomorrow." We must give the poorly educated and unskilled, the malnourished and the homeless, the people struggling to make ends meet, some hope for a better tomorrow. Let us join together to pursue policies that will bring these Americans opportunities for entering into the mainstream of our economic life.

□ 1340

The CHAIRMAN. The gentleman from California [Mr. HAWKINS] has consumed 9 minutes.

Mr. HAWKINS. Mr. Chairman, I yield 7 minutes to the gentleman from Montana [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. Chairman, I thank the gentleman from California for giving me this time, and I am appreciative of his efforts to take time in the debate on the Federal budget to discuss the American economy and its effect upon both American citizens and citizens around the world.

For many Americans and their families, this Nation's minimum wage has really been a vital safety net for helping to hold them above poverty and keep them off welfare. Today that net has been ripped by inflation and ill-designed national economic policies. It is really past time now to raise the minimum wage and restore the protection for workers that it was meant to provide.

Congress last dealt with this subject in the last decade, in 1977, when we legislated a series of four increases. The last of those took effect 5 years ago, in 1981, when we raised the minimum wage rate to \$3.35 per hour. After adjusting for inflation, that wage has now plummeted by 26 percent in just the decade of the 1980's, and today the real minimum wage stands at the lowest level it has been since 1955.

The statutory hourly wage rate rose in real terms until 1968, then it stabi-

lized in the 1970's, and it has fallen sharply since 1979. The real wage is now 20 percent less than it averaged in the 1970's and is one-third less than it was at its peak in 1968. Due to the failure to raise the minimum wage since 1981, its level has slipped below 40 percent of the average hourly wage for the first time since Harry Truman was President, in 1949.

For folks who rely on the minimum wage, that decline has meant for them personally a steady slide into poverty.

□ 1350

The figures are painfully telling. Consider this: An American working full time, 8 hours a day, 5 days a week, never missing work but earning the minimum wage, ends up at the end of the year with a salary that is below the poverty threshold. If that worker has a family of three, it is more than one-fifth below the poverty threshold. If that full-time worker, earning the minimum wage has a family of four, the salary is one-third below the poverty level in the United States.

So, you see the gap between what the Government says people need and what they actually are getting when they work full time has to be closed. It is the working poor that have been the real losers in legislation that has gone through this House and through the Senate and been signed by the President during these past 6 or 7 years. Low-wage households were hurt by the budget cuts of 1981 which made it more and more difficult for poor people at the same time that they were going through various difficulties because of our budget cuts. These working poor were not helped at all by the huge tax cut of 1981. That helped upper income Americans; not the working poor.

The taxes for the working poor went up. Social Security taxes and income taxes on those folks went up while the rich were getting a tax cut. I have joined with Chairman HAWKINS in introducing H.R. 1834. That is a bill designed to increase the minimum wage in four steps over the next 4 years until the minimum wage reaches 50 percent of the average hourly wage in the United States, and then our legislation would index the minimum wage to the average hourly wage so that as it increases, the minimum wage automatically increases with it.

I can tell my colleagues that those of us on the Democratic side of the aisle are committed to a revision of the Minimum Wage Act this year because this year marks the longest, in fact, this month marks the longest time America has ever gone without increasing the minimum wage. We have broken the old record as of April 2 of this year, and that inactivity on the part of the Congress and the American people with regard to increasing the minimum wage really means that

many folks maybe better off now to be on unemployment or welfare than they are to be on the payrolls.

If we are serious about getting America back to work, reducing the welfare rolls and increasing the payrolls, then this Congress needs to take the step of increasing America's minimum wage.

Mr. HAWKINS. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. OWENS].

Mr. OWENS of New York. I thank the gentleman for yielding me this time.

Mr. Chairman, I would again like to make a plea for more attention to be assigned to the effort to eliminate unemployment in our economy. The driving engine of our economic efforts should be the effort to eliminate unemployment.

Unemployment is a source of our entire population, but specifically, the people in the inner city communities, mostly minorities, are suffering from unemployment and have suffered from it for far too long. The history of economic policy for the majority of blacks in the inner cities of America is a history from slavery to massive unemployment, and the only peak during that period was the period during World War II when there were jobs for all. Only during World War II did we have reasonable employment in the black communities of our inner cities.

Certainly the social problems that are extant in our inner cities are generated by this harsh fact of reality, that there are no jobs. There have been no jobs for many years. The unemployment is generated by an economic policy which is a negative economic policy. We have a policy which we do not call a policy and that is Gramm-Rudman. Gramm-Rudman is a negative economic policy. It is a backward economic policy. It continues to try to address the deficit in the wrong way.

The Congressional Budget Office says that if we would eliminate just 1 percent of unemployment, every 1 percent of unemployment that we eliminate increases the gross national product by \$40 billion. Suppose they are exaggerating. Even an exaggeration would mean that substantial amounts of money would be put back into the economy as we eliminate unemployment.

There is a desperate need to address this problem. For too long we have acted as if the problems of drug addiction, teenage pregnancy, and many other problems in our inner cities were problems which stemmed from some kind of defect of the population. I assure you that if you had more jobs, if you provided more income, families would stay together and would be far more stable. Many of the problems of crime and the others kinds of prob-

lems of drug addiction, teenage pregnancy, which are generated by hopelessness, would be greatly affected if we had better employment policies.

Even now as prosperity seems to creep into a State economy like New York and a city economy like the city of New York and there is a great decrease in the amount of unemployment, the amount of unemployment for the city as a whole has gone down, but the amount of unemployment in the inner-city communities, in the congressional districts that serve the minority populations remains very high.

We need an economic policy which replaces the reduction of unemployment at the center of its priorities.

Mr. HAWKINS. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. HAYES].

Mr. HAYES of Illinois. I thank the gentleman for yielding me this time.

Mr. Chairman, I certainly want to congratulate Congressman HAWKINS for having again brought before us an issue that I think he has done more than any other Member of this House of Representatives to focus attention on.

The question of jobs and the employment of people is more critical than we dare to even acknowledge and we really are not doing anything about it. We, for the next few weeks, are undoubtedly going to be spending some time trying to find ways and means and well we should as to how we are going to reduce this huge deficit which this great country of ours is staggering under.

The Congressional Budget Office reported to both the House and Senate Committees on the Budget, in dealing with the economic budget outlook for the fiscal years of 1987 through 1991, that the loss of revenues and the increased outlays from unemployment will yield an unemployment deficit of \$40 billion for every 1 percent of unemployment.

This simply means that if we were to tackle the problem of trying to reduce the admitted ratio of unemployment of roughly around 7 percent, for every 1-percent reduction in that unemployment, by helping people to get jobs, we could save \$40 billion and reduce the deficit by that amount.

Mr. LEVIN of Michigan. Mr. Chairman, I thank the gentleman from California for yielding. His leadership and tireless efforts on behalf of America's workers are well recognized in this House and beyond. It is in no small part due to his vision that we again take up the Humphrey-Hawkins portion of the budget debate.

This part of the budget debate is reserved by law for a discussion of the underlying economic context in which the decisions we make will be played out. Perhaps the most important economic indicator for the millions of Americans who collect a paycheck is the unemployment rate. This single number represents millions of hard pressed mothers and fathers

who, through no fault of their own, are unable to provide for their families. In its rise and fall, American workers follow the fate of friends and neighbors. They know that cold numbers mean a harsh reality.

So where are we today? The latest unemployment rate has been published and on its face it is good news. The national unemployment rate fell from 6.7 percent in February to 6.6 percent in March.

This time, however, the numbers have disguised the truth. The drop in the rate was caused entirely by a decline in the labor force. While the number of jobless fell by 113,000 to 7.8 million, the labor force fell by 131,000. The apparent improvement in the unemployment rate was produced not by job creation, but by the departure of discouraged workers from the labor force.

The number of people employed declined overall by 14,000, and significantly the goods producing industries, the mines and factories that are the heart of the American economy, lost 70,000 jobs. Let's not forget that during the 52 months since the bottom of the last recession, only half the 1.8 million durable good manufacturing jobs lost in that downturn have been regained. Last month we fell back from even this modest showing.

The number of discouraged workers—people who want work but have given up looking for a job after fruitless searching—rose to 1.17 million in the first quarter. These 1.17 million are not counted in the unemployment rate, but they are just as surely without a paycheck.

Mr. Chairman, the last time our unemployment rate was better than 6.6 percent was in March 1980, during the Carter administration. Seven years of Reagan budgets have gotten us only as far as we once were. And let us never lose sight of the historically abominable economic performance that has made even 6.6 percent look reasonable; 6.6 percent is not full employment; 6.6 percent is not acceptable, and the 13.9 percent and 9 percent that black and Hispanic Americans are suffering is unconscionable.

The budget debate of 1987 takes place in a context of tremendous unmet national needs, high unemployment, and a continuing loss of industrial jobs. I believe the Budget Committee has fashioned a good compromise, but it is a compromise that is forced by the intransigence of the administration and not the reality in today's America.

Mr. KILDEE. Mr. Chairman, I thank my friend and chairman, the gentleman from California, for permitting me this opportunity to express my strong support for the goals set forth in the Humphrey-Hawkins Full Employment and Balanced Growth Act.

The gentleman from California has long been in the vanguard of those who have sought a rational and compassionate employment policy in this country. He is to be congratulated for setting aside this time for us today. For as we begin consideration of the 1988 budget, there is no better time than today for us to reflect on the necessity of comprehensive planning if we are to ever achieve full employment in the country.

It has been more than 8 years now since Humphrey-Hawkins was enacted. Humphrey-Hawkins established as national policy the

goal of 3 percent or less unemployment by 1985, and it provided for a comprehensive and coordinated economic, budget and monetary policy to achieve this goal.

Over the next several days, we will make important budget decisions. As we begin our deliberations, we must keep in mind that the budget does not merely determine the size of the deficit. It is also the major tool we have for meeting our national needs and priorities. The decisions we make during the next few days will affect the economic course of countless Americans.

No function of the budget is more important to our economic future than is education. Education is an investment in the future, and an investment in full employment. Without adequate funding for education programs, full employment would not be possible.

Thirty years ago, the Soviet Union launched Sputnik, the first satellite to orbit the Earth. The National Security Implications of the Soviets beating us to space spurred a Federal commitment to excellence in education that fueled the greatest revolution in knowledge and learning in our Nation's history; 1957 was proclaimed the international geophysical year, and students all over the country studied advanced courses in mathematics and science.

Today, Mr. Chairman, we face a crisis which equals the so-called space gap of the 1950's:

Our existing industries are maturing and seeking new, more modern manufacturing processes; new, high-technology industries are emerging every day, requiring a technically skilled work force; and international competition, often taking unfair advantage, is claiming more and more American jobs for foreign countries.

One would think that at a time like this, we would be dramatically increasing the Federal commitment to education, as we did in 1957. But instead, we have been asked to severely cutback Federal support for education. Since 1980, we have cut Federal support for elementary and secondary education by 6 percent. And its fiscal year 1988 budget proposal, this administration asked us to make a 1-year cut in all education programs of \$5.5 billion, or 28 percent. This request included a proposal to zero out vocational education and cut post-secondary education spending by more than 34 percent.

We can ill afford such a diminished investment in our children, who are enrolled in elementary schools; in our young adults, who look forward to a future anchored by a college education; in our young, who are interested in the trades; in our disadvantaged youth, who need a head start and adequate follow through to escape the cycle of poverty; in our gifted and talented, who need the challenge of special curricula; and in our mature workers, who need to upgrade skills in order to compete in a changing work force.

This week, we will vote on a budget resolution. I urge my colleagues to support the resolution produced by the House Budget Committee. The House Budget Committee has rejected the administration's shortsighted proposal to slash education spending. Instead, it increases funding for high priority educational programs, and it maintains current services for others. It protects America's students from

further cuts in education, and to that extent, I am pleased.

However, we must keep in mind that by merely maintaining current services, we are not addressing many of the urgent educational needs which have caused unemployment levels to swell above the goals set forth in the Humphrey-Hawkins Full Employment Act of 1978.

Franklin Delano Roosevelt said, "The school is the last expenditure upon which America should be willing to economize."

His words of warning, issued during the midst of the Great Depression, are as true today as they were then. President Roosevelt recognized, as must we, that our Nation's future depends on our annual investment in education to prepare a new generation of Americans to some day take the place of today's teachers, auto workers, doctors, and astronauts.

We must recognize not only the cost of education programs, but also their value. To do less would set our great country down a course of false economies—a course which we can ill afford.

I commend Chairman HAWKINS, who has long championed the unemployed, for recognizing the role education plays in bringing about full employment.

□ 1400

Mr. HAWKINS. Mr. Chairman, I yield back the balance of our time.

Mr. BUECHNER. Mr. Chairman, I yield back the balance of my time on the Humphrey-Hawkins debate.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. GRAY].

Mr. GRAY of Pennsylvania. Mr. Chairman, I reserve the balance of my time.

Mr. BUECHNER. Mr. Chairman, I yield 7 minutes to the gentleman from Tennessee [Mr. SUNDQUIST].

Mr. SUNDQUIST. Mr. Chairman, I thank the gentleman from Missouri for yielding me this time.

Mr. Chairman, as a member of the Public Works and Transportation Committee, I was disappointed to see the effect of the Democratic budget proposal on the Department of Transportation. In many ways, there were no surprises in the bill that was approved by the Democratic members of the Budget Committee. The unspecified tax increases, the cuts in defense spending, and new spending initiatives in the Democratic bill came as no surprise to anyone in this Chamber.

But I think even the Democratic members of the Public Works and Transportation Committee were amazed to see that the overall transportation budget does not allow funding for many of the essential programs that have been previously endorsed by both Congress and the administration. I speak particularly about the effect of the 1987-level freeze of the Federal Aviation Administration.

The Gray budget plan falls far short of the administration's proposed 1988

funding level for the FAA. It is clear that if these budget numbers are enacted, serious safety and delay problems will result in our Nation's air system.

Democrats and Republicans alike have seen the need to put a greater emphasis on air safety. The administration, likewise, allocated \$1 billion in new money for air transportation.

Nobody should have been surprised to see the defense cuts in the Democratic Budget. But I think everybody was surprised to see no allowances made for improvements in air transportation. If anyone is curious to see where the funding for all the new Democratic initiatives came from, take a look in the transportation function. In short, the Gray budget robs Peter to pay Paul.

The administration budget proposal included a 68 percent increase in funding for the FAA's program to modernize our Nation's air traffic control system—and a 16 percent increase in funding for FAA Operations to increase the air traffic controller and safety inspection work forces.

We members of the Aviation Subcommittee have always worked together in a bipartisan way. Chairman NORM MINETA has represented the Democratic Party well in his role as the premier spokesman in the House of Representatives on aviation issues. What does he have to say about a freeze in aviation funding? Well, last week, in a speech he said that the "consequences will be very significant." He said he was "particularly distressed" about the potential effects of such cuts. "The costs," he said, "go far beyond repaying the immediate dollars saved."

Beyond the aviation cuts, the Democratic budget allows for continued subsidies for mass transit based on an uneven distribution of discretionary grants. The President's proposal would fund all transit programs by formula grants. Also, the Gray budget continues Amtrak subsidies averaging more than \$20 a passenger.

I know there are Members on both sides of the aisle who support Amtrak funding. So it should be clear; a vote for the Gray budget is a vote for continued Amtrak subsidies.

Mr. Chairman, in my opinion, however, as we make these very difficult choices, the choice in this instance might be said as a choice between airline safety or a choice of Amtrak subsidies.

I would also say that the Doppler radar proposal that needs to be put in 25 major airports will be seriously threatened, and in my interpretation, will not be allowed in the Gray budget.

In the community and regional development function, no spending cuts are made, interestingly enough. All programs are held at the fiscal year

1987 level. It is in this function that I find some of the most objectionable spending priorities of the Democratic budget.

Under the Gray plan, Federal UDAG funds would continue to subsidize dockside condominiums, pizza parlors, and ski resorts. Under the Democratic budget, duplicative programs such as the Economic Development Administration, HoDAG—an untargeted Housing Construction Program—and the nonpower programs of the Tennessee Valley authority would continue without reduction.

I know that it's always easy to talk about reducing favored spending programs in somebody's else's State or District.

The TVA is very important to Tennessee in my district. I think with the right attitude on both sides of the aisle, we can make those tough choices. I believe the TVA can take a 10-percent cut in their funding and make that up in other ways. I would guess that my colleagues in other areas of the country could find the same kind of cuts that could be absorbed, but we have to make these tough choices.

Mr. Speaker, the time has come to make these tough choices. Either we are serious about reducing the deficit in a fair and equitable way, or we are not. The funding levels for the two functions I have mentioned indicate that the Democratic budget does not seriously or fairly address the deficit.

So if my colleagues or their constituents have faced an airline scheduling problem, if they have been late coming into Washington or at home, if they have been frustrated with what is happening in the airlines or if they are concerned about the wind shear factor or the safety of the airlines or hiring more air controllers, then they should vote no on this budget because it spends in the wrong places and it cuts in the wrong places.

Mr. BUECHNER. Mr. Chairman, I yield 5 minutes to the gentleman from Louisiana [Mr. LIVINGSTON].

Mr. LIVINGSTON. Mr. Chairman, I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise in opposition to the budget introduced here today, especially the \$1.1 billion cut in NASA funding, as well as the proposal for an inkind contribution from oil refiners to fill the strategic oil reserve.

Although I oppose this resolution due to the huge slash in defense programs, the creative accounting methods and taxes it contains, I am also greatly disturbed about the fact that this proposal is going to indefinitely delay the space program and could devastate the shuttle program. NASA estimates that up to 30,000 jobs would be lost as a direct consequence of these funding cuts. To delay the start

of the space station at a time that the Soviets are going full steam with their own space station project is not only not prudent, it is simply very, very risky. For our own security, we cannot afford any more delays.

NASA and the administration have proposed a two-stage plan to restructure spending on the space station to meet the cost concerns of Congress. This new plan would allow the construction of a basic station to go ahead, but even this would mean a delay of a year over the original plan. The proposed budget cuts would further delay, or even eliminate, the construction of our space station.

In addition, the budget calls for a 75,000 barrel per day fill rate for the strategic petroleum reserve, but it assumes that the Government will save \$700 million in outlays annually, notwithstanding the cost of this fill rate.

Mr. Chairman, I have a grave concern about this. I support the fill rate. I support the strategic oil reserve, but how can we continue to fill the reserve at this rate without costing the Government money?

Now, I understand that the Democrats on the Energy and Commerce Committee are planning to implement the Budget Committee's assumption through in-kind contributions from the oil importers on the oil that they import.

□ 1410

I am very much in favor of continuing to fill the reserve, as I said, but what is going to be the impact of levying this new in-kind contribution as it is proposed? How will the costs be passed on to the refiners? What will be the impact on consumers? And, more importantly, what will be the effect on independent producers?

Particularly I am concerned about those independent producers, because representatives of the Independent Petroleum Association of America indicate that they are afraid that their members are going to bear the brunt of the costs of this program, and I would simply like to quote from a letter from H.B. Scoggins, Jr., Independent Petroleum Association of America, dated today, April 8, 1987, to Chairman GRAY, in which he says " . . . if refiner costs could not be passed through to consumers and because they are powerless to lower net backs to foreign producers, the full cost of this proposal would fall on domestic producers, especially independents.

At a time when the domestic petroleum industry is in one of its most serious economic declines in history, this is a most inappropriate action which most surely will further that decline.

So I would urge my colleagues to take a look at this budget resolution and look at the potential impact that it might have on independent petrole-

um producers in this country. The assumptions that are made in this particular resolution have to be questioned, because they were made without any benefit of any hearings whatsoever to date.

Mr. Chairman, this budget proposal is fatally flawed, with some very serious threats to our national security. The defense cuts are bad enough, but to further delay essential space programs beyond current delays affecting NASA cannot be justified, and the impact upon the energy-producing industry in this Nation is far too questionable to be adopted without intensive study.

Accordingly, I would urge my colleagues to oppose this budget resolution. It is just too dangerous.

Mr. Chairman, I submit the complete text of the letter from which I quoted for insertion in the RECORD at this point:

The letter follows:

INDEPENDENT PETROLEUM
ASSOCIATION OF AMERICA,
Washington, DC, April 8, 1987.

Hon. WILLIAM H. GRAY,
Chairman, House Budget Committee, House
of Representatives, Washington, DC.

DEAR CHAIRMAN GRAY: It has come to our attention that the House Budget Committee proposal for fiscal 1988 contains some rather "creative" ideas on how to increase the Strategic Petroleum Reserve (SPR) fill rate at no cost to taxpayers.

As we understand the proposal, a percentage of all oil purchased by domestic refiners would be diverted by law to the SPR at refiners' expense. That oil would be added to and considered a part of the SPR and refiners would carry the burden of its full costs. In the event a draw-down of the SPR was ordered, refiners would be given back their oil in proportion to what they had been required to donate.

Were this not in writing, we would not have believed it. But since a majority of the Budget Committee has accepted it as legitimate national policy, we have no choice but to comment on it.

The Independent Petroleum Association of America is the national association representing the nation's independent crude oil and natural gas producers. By definition, our members are *producers*, with little or no interest in refining, transportation or marketing. Therefore, we will not beg the question of whether or not this proposal is confiscation of refiners' property without compensation. They are capable of addressing that issue.

What we want to bring to your attention is the adverse impact this would have on the U.S. petroleum producing industry—an industry already in steep decline.

Apparently the Committee believes refiners would simply pass costs associated with their contribution to the SPR through to consumers. That argument may be partially true as to the gasoline portion of the crude oil barrel, since gasoline has very little competition as a fuel. But much of the remainder of the barrel—heating oil and industrial fuels—complete head-to-head with natural gas, coal and electricity in a very price-sensitive market. In addition, imported products—especially gasoline—would limit further the ability of domestic refiners to increase their prices. Thus, we think our fears

are well founded that pressure on refiner margins would lead to lower net-backs to producers in the form of lower wellhead prices. In fact, (if refiners costs could not be passed through to consumers and because they are powerless to lower net-backs to foreign producers, the full cost of this proposal would fall on domestic producers, especially independents.

At a time when the domestic petroleum industry is in one of its most serious economic declines in history, this is a most inappropriate action which most surely will further that decline.)

We urge you, Mr. Chairman, to recall this budget resolution to your Committee to correct this mistake. Absent that, we will be urging Members of the House to vote no.

Sincerely,

H.B. SCOGGINS, JR.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, once again we have heard a charge laid before this body and the American people. The charge is that the House Budget Committee resolution cuts into certain programs. That charge is correct in one sense; we did make reductions.

I find it interesting that those who have been crying so hard for reductions in spending are now saying a 3-percent reduction, which was what was made in the Tennessee Valley Authority, is too much, when the President wanted to eliminate it, the President of their own party. I find that an interesting and unbelievable argument.

I find it also interesting that these very same people would get up and say that we are cutting FAA—when what we did was freeze FAA—did not participate in the process. They did not even vote when they had an opportunity in the committee. In fact, they voted "present." On some occasions, they were not even present to vote "present."

I find it interesting that now they tell us what is wrong with this budget when they themselves would not participate in writing one, did not vote to express their views, were often absent, and now have no alternative but to be critical of a budget that actually makes reductions.

There is no unequal treatment here. It was implied that we "protected the Northeast, as opposed to programs in rural America." There were even handed reductions. Urban mass transit got a reduction of about 4 percent, Amtrak got a reduction of 4 percent. I find it appalling that the very same people who for decades have been calling for across-the-board reductions, vote for them on appropriation bills, now say that a 4-percent cut in transportation is just too difficult to take.

Well, I have been talking to the experts, those in the Tennessee Valley Authority, in the Appalachian Regional Commission, in Amtrak, urban mass transit, and airport development. They

say that this budget, compared with the President's, treats these programs much more equitably and fairly, and that they can operate under it.

I would say to those who are so critical of the spending cuts here, who have on this floor in the past argued so vociferously for deeper across-the-board spending cuts, how interesting that they have now reversed that. If they do not like our proposal, where is their proposal?

Mr. Chairman, I yield 3 minutes to the gentleman from Texas [Mr. FROST].

Mr. FROST. Mr. Chairman, I would like to take a few moments to talk about the priorities established by the Democrats on the House Budget Committee with regard to our Nation's health care programs.

In particular, I'd like to point out some of the significant differences between the plan developed by the Democrats and the one proposed by the President for functions 550 and 570.

Function 550 contains several programs which provide vital health care to a large number of people. One of these, the Medicaid Program, serves over 23 million low-income Americans. The President proposed to reduce Medicaid spending by \$1.4 billion in fiscal year 1988 and by \$8.4 billion over 3 years below the level needed to maintain current services. This recommendation would make these reductions by placing a cap on Federal Medicaid payments to States.

Congress has rejected this proposal in the past, and with good reason. Reduced Federal funding for Medicaid would lead to the removal of people from the Medicaid rolls, most of whom are the poorest of the poor. It would also lead to reductions in the number of services that States could provide to beneficiaries.

The House Democrats' plan does not attempt to reduce the deficit on the backs of the most vulnerable in our society. It recognizes the need to ensure that basic health care services continue to be available to low-income Americans. The plan rejects the President's recommendation to cap Medicaid spending and instead provides for inflation and caseload growth, with additional money to address infant mortality and the plight of the elderly poor.

Our plan further protects the health of low-income Americans by including inflation adjustments in maternal and child health, community health centers, family planning, migrant health, Indian health, and immunizations.

The President's budget also targets the Medicare Program for major reductions. For fiscal year 1988, the President would cut Medicare spending by \$5.1 billion, and \$20.8 billion over 3 years. Some of the savings are to be achieved through increases in the program's out-of-pocket costs to

beneficiaries. For example, the President's budget recommends increasing the part B premium for new Medicare enrollees and raising the deductible for current enrollees. The President's proposals also would delay eligibility for new beneficiaries, reduce Medicare coverage for disabled persons, and repeal the very modest benefit improvements for occupational therapy and vision care which were added last year.

In preparing our budget plan, we determined that \$1.5 billion could be achieved in savings without reducing the level of services or quality of care provided to our senior citizens. The savings in our plan could be achieved through modest reforms in Medicare payments to health care providers. Beneficiaries, many of whom are on fixed incomes, would be protected since services would not be reduced and neither premiums nor other out-of-pocket costs would be increased.

Mr. Chairman, the President has made his priorities clear regarding our Nation's basic health care programs. We must not abandon the poor, the elderly, the children—those in our society who are the least able to afford reductions in service or increases in costs. I urge my colleagues to adopt the plan submitted by the Democrats on the House Budget Committee to ensure that essential health care services continue to be provided to those who most desperately need them.

Mr. BUECHNER. Mr. Chairman, I yield 5 minutes to the gentleman from Oregon [Mr. DENNY SMITH].

□ 1420

Mr. DENNY SMITH. Mr. Chairman, no one on this Budget Committee thinks that the numbers in the Democrat plan are going to be the ones, are going to be the document we use this year, or are going to be what we spend in fiscal year 1988. One of the reasons is that during markup we on this side of the aisle tried to get the majority to agree to some kind of a strong reconciliation and sequestration language. At that time, I believe the chairman, the gentleman from Pennsylvania [Mr. GRAY] stated that this would be the responsibility of the Rules Committee. Yet, yesterday in the Rules Committee, that committee abdicated that responsibility and said we would take that matter up later.

The later is the problem here. We are not really going to make this Government live with the numbers in any of the budgets that we are going to have before us. In fact, you know any time the budget get in the way we just waive it. I believe the figures are that in the 99th Congress we waived the provisions of the Budget Act 106 times.

What we are really in the process of doing on this day and tomorrow is voting for a one-page trillion dollar

budget. At least it was one page when we got it in the committee. It has been fleshed out a little bit, but it is an unrealistic budget.

The fact is that our Appropriations Committees are not really going to live by the numbers we give them in a one-page or a many-page document. We are just not going to do that without reconciliation or sequestration language involved in the process.

This is my third year on the Budget Committee, and I would have to say I am frustrated that we cannot really come down to a number that is going to be realistic. First off, if we were going to just freeze the budget, and freeze it with demographics included, we would have a budget, according to CBO, of about \$143 billion. That means in order to reach sequestration level of \$108 billion in Gramm-Rudman-Hollings we would have to cut \$35 billion from those programs, and there is not the courage in this body to do that.

This document today is a sham. The documents that we will see before us tomorrow I think are much the same. This is a political document. This is sort of a document to say what we are for and what we are against, and, unfortunately, the American people do not want more taxation. That is an awful lot of what is in this budget.

This budget does not carry the force of law. The fact is, as we all know, the President does not have to sign this bill. It does not go to the President and he cannot veto it.

The committees of the Appropriations Committee are not going to abide by the budget resolution. The Rules Committee, having waived our opportunity to get any kind of changes in the reconciliation, sequestration language, puts us in the same position we were in the 99th Congress. That is, we will waive points of order on the budget every time it is in the majority's benefit to do that.

In an April 7 letter to our vice chairman, DEL LATA, the Budget Committee report on this document, it was said by CBO that this document does not provide sufficient information on proposed policy changes for the CBO to provide an independent estimate.

I think this bill is going to pass. I do not think there is any doubt about that. I think the majority has the numbers. They had them in the committee and they have them here on the floor.

But I do think what this shows is that it is time to reevaluate this process. It is time to reevaluate the process and put in some reconciliation language that would really put some teeth into it, and to be sure that the changes in the law that would result in the changes in spending are going to be binding upon the committees of this body, and the committees on the

other side of the Capitol, so that we can get down to the Gramm-Rudman-Hollings target.

Mr. GRAY of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. DENNY SMITH. I am happy to yield to the gentleman from Pennsylvania [Mr. GRAY], the distinguished chairman of the Committee on the Budget.

Mr. GRAY of Pennsylvania. Mr. Chairman, I thank the distinguished gentleman from Oregon for yielding, because he has brought up a question that has repeatedly come up. That is the question of process and participation.

I would just simply say to the gentleman my response to the questions of budget reform was that the committees of jurisdiction were the Rules Committee and the Government Operations Committee for the requests that the gentleman made.

However, in my budget I do make three recommendations for reform of the budget process: Multiyear as well as restore the trigger, as well as deal with the structural, cyclical deficit definition of target.

The CHAIRMAN. The time of the gentleman from Oregon [Mr. DENNY SMITH] has expired.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 30 seconds of my time to the gentleman from Oregon.

Mr. DENNY SMITH. I yield to the gentleman from Pennsylvania [Mr. GRAY].

Mr. GRAY of Pennsylvania. Mr. Chairman, I would then also go on to point out to the gentleman that he had an opportunity himself to participate in the process and vote for those amendments, offer amendments. There were none that were offered to the budget that was brought forth. And when there was an open attempt to write a budget with everyone participating, I believe the gentleman from Oregon voted four times "present" although he was absent on all four occasions.

Mr. DENNY SMITH. I will reclaim my time, Mr. Chairman. I think the gentleman knows and realizes that the reforms that the gentleman from Ohio [Mr. LATTI] proposed, which we also proposed on the opening day of the session of the 100th Congress, would put a lot more teeth into what we are talking about here.

The CHAIRMAN. The time of the gentleman from Oregon [Mr. DENNY SMITH] has again expired.

Mr. BUECHNER. Mr. Chairman, I yield 1 additional minute to the gentleman from Oregon [Mr. DENNY SMITH].

Mr. DENNY SMITH. Mr. Chairman, the problem here is that we do not have the automatic sequestration, we do not have the things that are going to make Gramm-Rudman-Hollings work. And if we were to have the

freeze budget with the demographic numbers, that is if you were a Social Security recipient and retired at age 65, you would be able to draw your pension, if we had that we would be at \$143 billion.

Mr. GRAY of Pennsylvania. I would only say to the gentleman I have no problem with what he is saying, except when we brought forth an outlay freeze as a starting point for a budget, the minority side, the Republicans, would not participate or vote. The gentleman himself was not present to vote on four occasions.

Mr. DENNY SMITH. I will reclaim my time, Mr. Chairman.

The problem we have here is strictly a matter of numbers, and not numbers on the budget sheet. We are talking about Members in this body and in that committee.

I thank the gentleman.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from New Jersey [Mr. GUARINI], a member of the committee.

Mr. GUARINI. Mr. Chairman, I rise in support of the House Budget Committee's mark for function 450—community and regional development. This function, which covers urban and rural development, would have suffered severe damage under the President's budget.

The President wanted to slash the CDBG Program which provides vital funds for the economic stabilization of urban and rural communities. For many communities in depressed urban and rural areas, CDBG's are the only financial resource available for assuring of essential services. Last year because of budget constraints, we ended the general revenue sharing program. It is unconscionable that the President would now recommend slashing by \$490 million, one of the last sources of funding available to those impacted communities whose tax base cannot support basic services.

The President wanted to terminate a number of programs which have proven track records: UDAG's, EDA, HoDAG's, the section 312 rehabilitation loan program.

In my own district and State, I have witnessed the success of UDAG. UDAG's, which take a small amount of public funds to leverage private financing for redevelopment, have converted decaying railroad yards and piers in my district into desperately needed housing and commercial space. Areas which were severely blighted, which have lain dormant for nearly 50 years, have been revitalized to provide jobs and a renewed tax base. The public-private partnership of the UDAG Program is a major component of its success. It would be extremely unwise to call a halt to a program which has demonstrated its usefulness throughout the country. Yet that is

precisely what the President intended to do.

The House Budget Committee firmly rejected the President's ill-advised proposals. Instead, our budget assumes that most of our community and regional development programs would be funded at the 1987 levels; for example with inflation. This is a small but tolerable reduction from what would be needed under current services. It does not make up for the significant reductions experienced since 1981, but it at least allows important and essential programs to continue.

For this reason, I urge my colleagues to support this budget resolution.

Mr. BUECHNER. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. LAGOMARSINO].

Mr. LAGOMARSINO. Mr. Chairman, I share the opposition of my Republican colleagues to the Democratic budget resolution for the reasons expressed: increased taxes, greatly weakened defenses, et cetera.

However, Mr. Chairman, I'd like to call the attention of the Members to one particular aspect of the budget proposed by the Budget Committee, and that's the budget for the National Aeronautics and Space Administration. The President, in his budget, recommended \$8.8 billion in budget authority for NASA. This was considered the minimum sufficient for the Nation's Space Recovery Program following the *Challenger* accident. The Budget Committee cut this figure by over \$1 billion, in effect greatly damaging, if not eliminating the Recovery Program.

According to OBM, this could mean cancellation of the replacement orbiter for the space shuttle *Challenger*, an indefinite delay in the U.S. space station project, the possible cancellation of already-approved science missions such as the Mars observer, and the loss of over 30,000 jobs in California, Texas, and Florida.

Mr. Chairman, this recommendation by the Democratic-controlled Budget Committee is a recipe for disaster. During the 6 hours allotted for general debate on this budget, two Soviet cosmonauts will fly over the United States four times in their new space station Mir. In the budget year covered by this resolution, the Soviets are expected to launch their own space shuttle. Elsewhere, the Japanese and the Chinese are developing their own launch complexes and rockets to join France in the space race.

And what are we being asked to do? Cut NASA's budget authority request by 12 percent. Is this really in our Nation's best interest? I think not. If this plan is followed, it will mean the United States is willing to forfeit its leadership in space, as well as its technology base on Earth, threatening both our national security and our do-

mestic job base. I hope this House will not be so foolish as that, and urge my colleagues to vote against the committee resolution.

□ 1430

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Florida [Mr. MacKAY], a member of the committee.

Mr. MacKAY. I thank the chairman.

Mr. Chairman, I would like to discuss the NASA budget which has recently been mentioned, and I would like to put it this way: that budget was a point of very severe discussion within the Budget Committee. It is true that the Budget Committee did not see fit to fund this program at the level that it was funded by the President. The question is not whether we cut it, but the question is whether those programs funded through the NASA budget can be continued adequately at the level they are funded. I am convinced that they can.

I am convinced that there may have to be a stretch-out in the space station program, and I personally, as a member of the Committee on Science, Space, and Technology, would say that this is not altogether bad. There is good evidence to indicate that the space station program is not as well thought out as it should be and that perhaps a stretch-out of a year or maybe 2 years will enable the funds that are put there to be much better spent.

Let me go forward with a discussion of the other budgets that are in function 250 because this function essentially is the part of the Federal budget that funds civilian research and development.

The only place where there has been a cut in this function is in the NASA budget. In the National Science Foundation there has been an increase of \$200 million above the existing programs this year. These are essentially the programs that fund civilian research at our universities.

The DOE general science programs have been continued at a freeze level. Our committee is convinced that this is adequate funding to continue our commitment to civilian research and development.

I hope Members will look very carefully at this function. I believe if they do, they will see that the Budget Committee has done a responsible job and although this is lean funding, this is adequate.

Mr. Chairman, I urge adoption of the budget.

Mr. BUECHNER. Mr. Chairman, I yield myself 6 minutes.

Mr. Chairman, the proposed budget cut of more than \$1.1 billion in budget category 250, the basic scientific research and development account, is aimed almost entirely at our space

program. This cut would be a tragic error. We would not only destroy our future in space, we would surrender all claims we have to international leadership in a number of critical technologies.

Mr. Chairman, I would like to quote from a letter to Chairman ROBERT ROE of the House Committee on Science, Space, and Technology from James A. Fletcher, Administrator of NASA:

Personally I am shocked and disappointed that a Committee of the United States Congress could take an action which would have the effect of reversing the national effort to rebuild the space program, reassume the leadership role which America once held in space, and, as a result, make bold strides in restoring the Nation's competitive posture in the high technology arena. It is especially disheartening that such a decision should occur only two days after the USSR launched into orbit an impressive new module for its "Mir" Space Station * * *.

For more than a quarter of a century Americans have consistently supported our civilian space program as the international flagship of American technology and achievement. Adoption of this proposal would turn our backs on all that has been accomplished so far, and ignore all that could be accomplished in the future.

The ability of this Nation to meet global competition, to provide for our national security, and to improve the quality of life for all Americans depends, in large part, on our willingness to make national investments in science and technology.

For 1988 the budget proposed by the President provided for increased support for research and development to meet key national needs. The President's budget provided increased support for basic research to help generate the new knowledge necessary to continued technological innovation, and, more importantly, the President's budget included adequate funding to keep the faith of the gallant crew of *Challenger*, so that we could keep their dream alive. If this proposal is approved by this House, that dream will be gone forever.

This year the President proposed that NASA would invest in R&D programs to provide for a permanent U.S. presence in space aboard an American space station; to return the space shuttle to safe flight readiness; to advance our knowledge of the Earth and our universe; and to support long-term research and technology advancement.

R&D accounts for over 50 percent of the annual NASA budget. The 1988 budget proposed by the President would have provided for \$4.1 billion in outlays for the conduct of R&D. The proposal now before the House would decimate that program by reducing it by more than 25 percent. What would be the impacts of a cut of more than \$1 billion in the NASA budget? Some of the most obvious would be:

Cancellation, or indefinite postponement of an American space station, even though the Soviets are already in space with their Mir station.

Postponement beyond February 1988 on the next space shuttle flight, and possible degradation in safety enhancements recommended by the Rogers' Commission following the loss of *Challenger*.

Cancellation, or considerable reduction in the scope of American space science efforts such as the Hubble Space Telescope, the Mars Observer Mission, the Galileo Mission to Jupiter, and many others.

There are many arguments that can, and should be made, in favor of maintaining a strong and vibrant American space program. The first is that the American people demand, and deserve a program that will assure continued American leadership. In fact, numerous public opinion polls have indicated that the American people strongly support the space program, and that the level of that support actually increased in the wake of the *Challenger* accident.

The second argument in favor of a strong space program is that it is a good investment in America's future. There have been a number of economic studies that have indicated that for each dollar we have invested in the space program, there have been from \$7 to \$14 returned to the economy. In a Congress where the buzzword of almost every democrat initiative is "competitiveness" this Congress over all its 99 predecessors should understand that the NASA budget is an investment in the technology that makes American industry competitive in the world marketplace.

And, finally, let me argue that this Nation cannot accept this proposal because it would represent the abandonment of an American dream. There are events in American history that are universal in their impact. For all Americans who remember December 7, 1941, the memory of where they were, and what they were doing that day is forever burned into memory. For a younger generation the events of November 22, 1963, are as fresh as yesterday. Surely the word "Sputnik" jarred our national pride. And, is there a Member of this Congress who does not remember that morning, just over a year ago, when seven brave Americans, reaching for the stars and the future, gave their lives in the great effort to advance our knowledge of our universe? But, just as tragedy can unify us in National resolve, so, too, can great accomplishments.

We also remember with pride that day almost 18 years ago when Neil Armstrong first set foot on the surface of the Moon. That day he said, "That's one small step for man, one giant leap for mankind."

Let us not make the fatal error of abandoning our future. Let the voices of millions of Americans all across this great land remind you that the space program is one of our great unifiers. This is not a fight of guns versus butter. This is a fight of dreams versus defeatism; of tomorrow versus yesterday. If we adopt the democrat budget we will have ceded space to the Soviets, but even worse we will have taken a great leap backward—this Congress can remember that each time the Soviet space station passes over our Capital.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, we have heard an eloquent defense of our national space and science program, but let me remind this body and the American people that when an opportunity was provided for the gentleman who spoke to offer an amendment, he offered none on function 250. I would assume that he will vote for the President's budget tomorrow since he has presented no alternative budget, and when an opportunity was provided to vote on four occasions, the gentleman was absent from voting. I am glad to see that he is for the space and science program. I am sorry we do not have another alternative that demonstrates it. Perhaps he will vote for the President's budget.

Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Montana [Mr. WILLIAMS], a member of the committee.

□ 1440

Mr. WILLIAMS. Mr. Chairman, I join with my chairman, the gentleman from Pennsylvania [Mr. GRAY], in longing for a Republican substitute to our budget, however, there is not one. I suppose that means that the only substitute that we can refer to as the Republican substitute is the President's budget.

So let, me, for a couple of minutes, compare the Republican budget, the President's budget, with our Democratic budget, and let me make that comparison with an issue about which the American people are very interested and have high support. That is the matter of education.

Our budget, the Democratic budget, provides an inflationary increase for every education program and, for certain priority education programs, we give a significant increase above inflation. Yes, there are two budgets on the floor. The other one is the President's budget, and he cuts 28 percent from education.

Let us look at some of those specific cuts. The American people understand that we have to open the doors to college to all prospective students, yes, even the poor. Pell grants do that. Our Democratic budget provides an increase to Pell grants. There is another

budget on the floor: the President's budget. The President cuts 29 percent out of Pell grants.

Our Democratic budget provides a small increase, because we know times are difficult, but an inflationary increase for education of America's handicapped students. The President's budget cuts such education funding by 30 percent.

College work study is a favorite of both students and their parents because it makes them get out there and work a little bit for the money that aids them through college. The Democratic budget provides again, just an inflationary increase for college work study. There is another budget on the floor: the President's budget, the Republican budget. It does not cut work study; unbelievable, it eliminates it. It says no more shall there be work study in America.

The Democratic budget has a small increase for vocational education, just enough to keep up with inflation. Vocational education is terribly important to the American people. The President's budget, the other budget that we will be voting on, eliminates vocational education in America.

Are there two budgets on this floor? You bet. Are they vastly different with regard as to how the Democratic Party and the Republican Party view the importance of education in America? You bet they are.

For those who want to savage education, I invite them to vote for the President's Republican budget. For those who believe that in these tough times, education should at least get an inflationary increase, I invite them to vote for the Democratic alternative.

Mr. BUECHNER. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. BOULTER].

Mr. BOULTER. Mr. Chairman, I would like to say to my friend, the gentleman from Montana [Mr. WILLIAMS], that we wish there were another alternative. Indeed, there is another alternative. By the way, there are not just two budgets on the floor; there are several budgets on the floor.

I have not heard the chairman or other Members on that side of the aisle bash any of the other budgets, whether it be the Black Caucus budget or any other budget.

I do not think that we can be painted into that corner and do not want to be painted into that corner. We want to work in a bipartisan fashion with our Democratic colleagues. There is enough respect from this Member and other Republican Members on the Committee on the Budget to do that.

I think the problem is with the institutional propensity of the Congress to spend money through the appropriation process. We went a long way, Mr. Chairman, last year, I think, toward removing special-interest group pressure from the Tax Code.

I wish somehow we could do that from the spending process. I wish somehow we could remove that sort of special-interest pressure from spending because I think that is what the American people collectively, and as a whole, just the working men and women on the street, want us to do. They really want us to get rid of the deficit, but they do not want to do it with an increase in taxes.

That is what I want to talk about for just a moment. What will the \$18 billion tax increase be used for, Mr. Chairman? Obviously, and this is not the fault of the Democrat side exclusively, I will admit this, but obviously it is going to be used to finance the congressional pay raise. I personally, just speaking for myself, think that is a sad fact of life.

But what else is it going to be used for? Is it going to be used to provide for a strong national defense? Not when we are cutting, under the Democrat budget, \$9 billion in fiscal 1988, over \$50 billion in the next 3 years; not when we are cutting in budget authority military personnel by \$4 billion. Does that mean, Mr. Chairman, that we are going to have to discharge 300,000 members from our military?

What about energy security? I have criticized the administration at length for not having a good national energy policy that protects us from Persian Gulf imports and that provides for basic R&D in our energy function, research and development.

But the Democrat budget that is being proposed here cuts the energy function by \$2.1 billion in budget authority, by \$1.8 billion in outlays, and that is below the fiscal year 1988 CBO baseline. It cuts an additional \$100 million below the fiscal year 1987 outlay level. It cuts discretionary funding for the energy function by 20 percent, and even the Democrat freeze document, which was originally presented to us, acknowledges that these cuts in energy research and development are overly severe, that they decimate basic energy science and research projects.

Mention has been made of the Space Program. Are we going to continue to play a leadership role in space with the \$18 billion tax increase? No. We are not going to have a space station. We are going to lose 30,000 jobs in space centers in California, Texas, and Florida. Furthermore, we are not going to have a superconducting super collider because research and development is being cut to that extent.

What are the \$18 billion unspecified taxes going to be used for? I trust my chairman, the gentleman from Pennsylvania [Mr. GRAY], and other members of the Committee on the Budget, but I do not trust the institutional process.

In 1981, under TEFRA, when spending was going to be cut \$3 for every new dollar in taxes, just the opposite happened. Since 1981, Mr. Chairman, this Congress, controlled by the Democrats, has busted the budget in overspending its own budgets by \$146 billion.

Last year, we had over 100 waivers of the congressional budget resolution. This year, in the proposed budget being proposed now, as I understand it, there are fewer than 4 billion dollars' worth of reconciliation. There is very little enforcement in this budget.

If it passes, it does not mean a thing because there is so little enforcement language in it.

I just want to close by saying that I think what people really want, Mr. Chairman, are sunsets, are terminations, true welfare reform, not welfare reforms that add \$5 billion to the process.

□ 1450

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. WOLPE].

Mr. WOLPE. Mr. Chairman, the gentleman from Texas [Mr. BOULTER] put a question to the majority side a moment ago asking, how would the revenues within the budget resolution be used? He claimed they were to fund additional spending. I am sure it was not an intentional misstatement, but the gentleman from Texas is in error.

The revenues in the budget of the Budget Committee are committed for one purpose, and only for one purpose and that is deficit reduction. Even the small increases in spending in the highest priority areas of the budget are funded not out of revenues but out of deeper reductions in other domestic programs. Total spending is cut dramatically in the committee's budget.

I say that because I think it is important to understand how difficult this year's budget decisions are and, frankly, how irresponsible it is to suggest that on the one hand we can achieve the deficit reduction targets of Gramm-Rudman and at the same time increase spending and avoid additional revenues.

Much comment has been made about the failure this year of the Republican side to produce its own budget. I think the reason for this failure is apparent from the comments we have heard: there is a simply no way one can fund the kinds of programs the Republican side is asking to fund without few revenues or without further reductions in other programs that they are not willing to publicly advocate.

What the committee's budget does, in my view, is to really offer the fairest possible spread of the burdens and the sacrifices that are necessary if we are truly to accelerate the pace of defi-

cit reduction. It should be noted that all the revenues in the committee budget, unlike the revenues in the President's budget, are committed solely to deficit reduction.

The second point that needs to be made is that the actual revenues in the budget resolution that has been recommended by the Budget Committee are actually less than those in the President's budget. The President calls for new taxes, and the President calls for new user fees in his own budget. Even the President recognizes, in his budget, the impossibility of meeting our deficit targets without some combination of further spending reductions and tax revenues.

But you would never know that from the President's public rhetoric. The President's claim that he is not supporting any new tax revenues this year is, frankly, very deceptive. It is, in effect, the domestic equivalent of his Iranian policy: publicly we were told we were not sending guns to Iran, but in reality we were. In the same way, the President publicly claims he opposes all tax proposals, when in fact, his own budget calls for new tax revenues.

The President, in his own budget, calls for revenues, and he would have some of those revenues finance new spending. The Democratic alternative that is before the House today, the budget that I hope will enjoy some measure of bipartisan support, actually commits all new revenues to deficit reduction. Moreover, it actually calls for less total revenue than does the President's budget.

Mr. BUECHNER. Mr. Chairman, I yield 5 minutes to the gentleman from Kentucky [Mr. ROGERS].

Mr. ROGERS. Mr. Chairman, there they go again with the same old tax-and-spend policies that the voters of this country have rejected for the last 6 years.

In 1980 the American voters grew tired of the tax-and-spend policies of this party and turned them out and gave control of the Senate and an increased number in this body and the Presidency to the Republican Party. This party, under the leadership of this President, slashed taxes and saw the American economy bloom like a spring tulip.

We saw this party on this side of the aisle resist those changes, and they resist them yet. Last fall the Democratic Party went to the American people and said, "Give us control of the Senate, and we will show the way. We will sound the resounding trumpet and provide leadership to this country in solving America's deficit and trade deficit problems. We will stop the outflow of American jobs overseas caused by the trade deficit."

Mr. Chairman, I do not hear a resounding trumpet today. When it came time to mark up this budget

before the Budget Committee, that party refused to present a document. There was nothing to mark up from, as is the usual custom in committee in this body. It was only after the Republicans had voted "present" in protest of the refusal to come forward with the sound of the bugle that finally they came forward with their document, after they had criticized the President's proposal unmercifully and then did not give the Republicans any chance to know what was in their proposal until the floor action.

What does the Democratic proposal do, Mr. Chairman? It is the same old message: tax and spend, tax and spend, tax and spend, and whack national defense, a message that the American people have rejected time and again.

Why do I say so? Their budget proposal calls for a tax increase to this Nation of \$20 billion in 1 year. This is a position that 73 percent of the American people say "we don't want." And they said that last week in a poll. Three out of four Americans said, "Don't do that to us." Yet the Democratic Party comes to us and says, "That's what we are going to do, and don't ask any questions."

Mr. WOLPE. Mr. Chairman, will the gentleman yield?

Mr. ROGERS. I will yield when I finish.

Mr. Chairman, do they propose to stand by the American dream of balancing this budget by 1991, as the Congress directed we do last year in Gramm-Rudman-Hollings? No. Their proposal, using the baseline of the Congressional Budget Office, predicts a deficit of \$171 billion. Yet they then resort to numbers that are not accurate to come forward with the proposal that we will get down to, on section 108, as Gramm-Rudman requires.

What does it do to America's defense posture? We have heard the debate there, and I will not belabor it by repeating it except to say that the budget reductions offered by the Democratic Party could mean that troop strengths would be cut anywhere from 100,000 to 300,000 people. Manpower, maintenance, and operating facilities of America's defense posture would be cut. That is what their proposal does to us. There are a thousand cuts in their proposal in programs that are basic to America's economy and basic to America's growth and redevelopment.

Most important of all, whatever budget we adopt in this body should have something to enforce it. Otherwise it is meaningless. Last year we went through the process of adopting a budget, and then during the course of the year we waived the budget requirement this many times. I think there are 45 on this list, ranging from the Compact of Free Association to

things such as the Gay Head-Wampanoag Claims Settlement Act. We waived the budget. We did not pay any attention to it.

Their proposal has no teeth in it, and they refuse to allow us to put teeth in their budget proposal. I urge the Members to reject this Democratic proposal again as another tax-and-spend effort that the American people have grown tired of and said they do not want anymore.

Let us reject this proposal. Let us reject all the proposals and go back to that committee and work out a decent budget that reflects America's needs to stop the trade deficit and, most importantly, the Federal deficit and maintains our defense. I urge the Members to reject this budget and all other proposals.

Mr. WOLPE. Mr. Chairman, will the gentleman yield?

Mr. ROGERS. I yield to the gentleman from Michigan.

Mr. WOLPE. Mr. Chairman, may I ask the gentleman if he intends to support the President's budget?

Mr. ROGERS. I do not. I urge you to reject it.

The CHAIRMAN. The time of the gentleman from Kentucky [Mr. ROGERS] has expired.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from California [Mr. MILLER], a senior member of the Budget Committee.

Mr. MILLER of California. Mr. Chairman, I was delighted to hear the last speaker in the well say that he would not support the President's budget, and I would hope, when given an opportunity, that the other members of the Republican Party will not support that budget, for the very simple reason that that budget does great violence to the poorest of our people in our society. In fact, almost a third of all the cuts the President of the United States suggested in his budget came from programs that serve the poorest people in our population, the poorest among the children, and the poorest among the families here in America.

During the best of times we have not done a very good job on behalf of these children and these families, and clearly now is not the time to pull out the underpinnings. On the Democratic side we decided to take a different tack. We decided that America's children, whether they are the poor or the nonpoor, needed attention and it was worth making an investment in their behalf. We made a decision that we would make an investment in reducing the number of retarded children; we made a decision that we would make an investment in increasing the number of healthy babies and increasing the number of healthy pregnancies; we decided we would make an investment in early childhood education

and in the Head Start Program, and that we would make an investment in the Women's, Infants and Children Program.

Why? Because we like to spend money? No. Because independent study after independent study and audits by this administration showed that an investment of money in these programs returned far more to the Treasury than the cost of running those programs, not even to mention the health that it bestows upon newborn infants, upon pregnant women, and upon healthy families.

We have decided that is where America should put its dollars. If America truly wants to be competitive in the next century, it is going to have healthier children and better educated children to take our place in this society.

□ 1500

Unlike the President's budget that simply shredded any notion that this President believes in a safety net. We heard that 6 years ago, and what we now find out is after 6 years of this experience, after 6 years of the Reagan experiment and the Republican revolution in budget, what we now see is almost all of the detrimental indicators with respect to children. The number of children living in poverty, the number of children who do not receive health care, who do not receive a full education, who do not receive nutritional benefits, all of those indexes are worse now than they were when this President came to office.

What we have tried to say in the budget last year with the children's initiative, what we have tried to say in this budget with the children's initiative is that it is time to put a halt to that mindless damaging of America's youth. It is time to turn it around; it is time to make an investment in the next generation. It is time to put the public's money where the politician's mouth is that this is the most important generation. Our most important resource is our children. The Democratic budget says in fact that is true and we are willing to invest in them.

Mr. BUECHNER. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. HOUGHTON].

Mr. HOUGHTON. I thank the gentleman for yielding me this time.

Mr. Chairman, I would like to talk about the substance of this document which we call a budget. I am not going to get into the politics; who is right and who is not. Whose numbers are closer to the real world; who has done their job or who has copped out.

A solid budget which will withstand the fullness of time is needed and is needed now. If that is not the case, this whole process which we have been talking about is useless. I feel there has been no solid proposed budget. No blueprint, no guideline for the Ameri-

can people. There should be; we need it. It will take work, but the Budget Committee on both sides should stop its political maneuvering and get down into the hard numbers.

If you take a look at the President's budget and the committee's budget, they look very similar on the surface. As a matter of fact, I would be amazed if anybody in this Chamber understood how close they were. In the outlays of the President's and the committee's budget, there is a difference of two-tenths of 1 percent. In revenues there is a difference of one-tenth of 1 percent. In the deficit, it is virtually the same. If you use the same economic assumptions, they are exactly the same.

So the question is: What are we debating? What is the problem if the numbers are so similar? Well, there is a problem and there is a difference. And the difference is in two areas. One, in terms of the proportion of the budget resources, and second, in terms of the credibility of the assumptions.

Differences between the two budgets may not seem important if the total is right, but the subtotals must also be right. Without the right proportions and without the right assumptions a budget just does not budget. And between the two budgets, the proportions in defense and non-defense, and in the income and revenues are entirely different.

Regarding the assumptions used, for the past several months we have been hearing a lot about those things called "smoke and mirrors," used in the President's budget. Frankly, some of that criticism is justified. As a businessman, I am bothered by the notion of applying asset sales to a deficit reduction rather than a debt reduction. These sales should not offset ongoing expenses.

Now that the committee has set forth its budget, an honest appraisal is that it uses also sleight-of-hand techniques all too often. While it does not rely on asset sales, it has failed, I believe, in its responsibility to identify where and how the budget savings can be found.

The CBO has looked at the committee's budget and said it cannot get enough detail to evaluate. Let me give you an example. There is \$18 billion in terms of a lump-sum, one-time tax. But who is taxed? Who pays? Is it the widows? Is it the middle income? Is it the older people? No one knows. Or does that tax come from people who have to drive long distances and have to pay another 1, 2, 3, 5 cents a gallon on their gasoline?

There is a \$8.7 billion cut in defense. Unspecified cuts. Now I believe that because of the increases in the defense budget, that certainly there can be cuts made there, but should it be cuts in readiness? Should it be cuts in pro-

curement? Should it be cuts in research and development? We do not know—we haven't been told. I think it is wrong. There are other arbitrary cuts in transportation and a variety of other things which are not specified. There is a 3-percent civilian pay raise granted which is then pulled away. There is a Catastrophic Health Insurance proposal which is not costed or funded. The thing that I worry about is that in 1986 our goal was to hit a \$180-billion deficit. We came in at \$221. In 1987, the goal was \$144 or plus maybe \$10 or \$154, and we are coming in at \$171 or more. In terms of 1988, the goal is \$135 or possibly \$108. Where are we going? We are in serious trouble. We are not taking our job seriously as human beings and if one was not sent down here to be frivolous with the peoples' money and their lives, what are we doing?

I submit that we must get at this process. I am going to vote against both the committee's and the President's budgets tomorrow. I feel that the budget process is only now at the beginning of being wrestled with, and I feel that it is important for the members of these committees to get at it and develop a budget which is worthy of the American people.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me say that I share many of the concerns of one of our new members of the committee from New York, an outstanding, distinguished Member, Mr. HOUGHTON. He has made a very telling point.

The point he makes is that the difference between the President's and our budgets is very small in total outlays and in revenues. The difference, though, is in the choices we make. He agrees that asset sales are wrong. We do not have them. Therefore, on that issue, he ought to vote with us. He says, "What about balance?" We equally cut from both sides of the ledger, Pentagon and domestic.

I would say to my distinguished colleague, who has been struggling in the middle of this process, that the Budget Committee does not dictate where the Armed Services Committee will make reductions from the President's request, nor do we dictate where the Ways and Means Committee will make revenue increases. He will get chances to vote on that in reconciliation legislation and in Armed Services authorization and appropriations bills.

So I hope my colleague will make the decision to vote for a budget to show America where you stand.

Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. DURBIN].

Mr. DURBIN. I thank the gentleman for yielding me this time.

Mr. Chairman, budget debates are usually drier than dust. We Members of Congress often prattle on about functions and outlays and budget authority and the myriad of numbing terms we use to describe our work. But it is also said that a nation can be judged by the way it spends its treasures. So our budget reflects our values as a nation.

We Democrats have produced a budget. It is not a perfect document nor was it an easy process. But this budget represents our work product, our vision of America, our values, and yes, our answer to the troubling challenges facing America.

Now, what are we to make of the fact that our Republican colleagues have failed to produce a budget? Have they not accepted this same challenge? Have they refused to take the time and go through the difficult process to make the difficult choices? Where are their values? Where is their vision? Where is their answer to the challenge that the American electorate gave to each of us when we were re-elected or elected to this body? We were not sent here to carp and complain; we were sent here to solve the problems facing our Nation. Yet, speaker after speaker on the Republican side has stood and condemned our work product, adding as a post script that they will not even support their President's work product, and have nothing, literally nothing, to offer as an alternative.

□ 1510

To my mind, to hear this mindless babbling on about "tax and spend" does not respond to the needs of this Nation. To hear the speakers get up and refer pompously and piously to resolutions passed by the Republican conference that, "Yes, we will hit a \$108 billion deficit," and, "No, no, we will never ever increase the tax."

Come on, ladies and gentlemen, it is 1987. The problems are real. It will take a bipartisan approach and this type of political rhetoric does not serve the needs of our Nation.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. GRAY of Pennsylvania. Mr. Speaker, I yield 1 additional minute to the gentleman from Illinois [Mr. DURBIN].

Mr. DURBIN. I would like to address one particular aspect of our budget resolution and that is agriculture. I am concerned about the future of American agriculture. I am cognizant of the fact that we have spent a great deal of money and still people suffer in middle America because of our agricultural crisis. I think this budget is responsible and responsive.

What we have done is ask the Agriculture Committee to cut back a billion dollars from the farm program

and we have cut another 8 percent in discretionary agricultural spending.

This is a far better, far more sensible and far more humane approach than the President's budget, which would have reduced target prices and eviscerated important agricultural programs on which we are relying for our recovery in the Midwest.

I commend to all my colleagues on both sides of the aisle to look long and hard at this work product. I think it is an important step toward bringing the American farm sector back to that level of economic stability that we seek to achieve.

Mr. LATTA. Mr. Chairman, I yield 7 minutes to the gentleman from California [Mr. THOMAS].

Mr. THOMAS of California. Mr. Chairman, carved into the dais in front of you are a series of words. The one in the middle is the one I read over and over again before I come to the well, because it is tolerance.

I listened to the gentleman from Illinois and the gentleman on his side before him. It is very frustrating for them this time on the budget issue because they do not have something to bump up against. Oh, they have tried to elevate the President's budget to the Republican alternative so that they can talk more about what theirs is not, than what theirs is.

I think most people tire fairly quickly of talking about function 050 and function 150, et cetera, because really what we are engaged in is politics. Politics is the process that determines who gets what, when and how, and that is what a budget is all about.

The budget of the U.S. Government determines who gets what, when and how.

I think it is right and fair to debate who gets what, who the who is going to be, and what the what is going to be.

I think it is perfectly fair to stand here and say that we believe this is what should be done versus your position, if it were done: First, with a degree of tolerance; and second, with a degree of honesty, because when you decide who is going to get what, when and how in this society, we are talking about next year and the year after and the year after that, so you have to make certain assumptions about what the economy is going to look like, how many jobs there are going to be, what the inflation rate is going to be, what the interest rate is going to be.

The President early this year came out with a budget with the administration's statement of what the world was going to look like next year and what they thought would be a reasonable distribution of who gets what, when and how.

Let me read a couple quotations to you. On January 4 on "Meet the

Press" Chairman GRAY in discussing the President's budget said:

We are starting off with a lack of realism. If you think you are going to get there—the Gramm-Rudman target—by smoke and mirrors and unrealistic assumptions, you are sadly mistaken.

In March, the Speaker of the House, the distinguished gentleman from Texas [Mr. WRIGHT] said:

You can fudge on the economic assumptions and pretend to get there, like the President does.

Just a few days ago, once again Chairman GRAY said:

The big secret that the American people should know about their President is that he has sent us a phony budget.

For 2 months the Democrats have trashed the President's budget basically on his economic assumptions.

Guess what—just a few minutes ago the chairman of the Budget Committee stood up and bragged about the fact and brought note once again that the committee's economic assumptions are the same as the President's.

Now, who are you going to believe, the chairman and the Democrats of February and March, or the newly discovered position of the Democrats in April? Where is the truth?

I would suggest to you that the truth checked itself at the door, that what it is is politics and some of us are a little sick and tired of the game of politics. Oh, it is fun I guess most of the time, but when the stakes are so serious, as they are today, as they were last year and as they will be even more so next year, I think it is time we quit playing games.

Why are the Democrats' economic assumptions the same as the President's? Because they could not get where they wanted to go without adopting them.

We are the minority. We get to participate in the process to the degree the majority lets us participate in the process. If we wanted to change the procedure in the committee, we would lose on a rollcall vote and the chairman would have proxies available to determine what it is he wanted to do.

Just a week ago when I cried out in terms of the procedure on a budget on a single page, as the chairman's mark, and said in a committee I am more familiar with than the Ways and Means, that the chairman's mark is 200 pages thick, the chairman said, "Welcome to the Budget Committee. This is the way we do things here."

When the budgetary process was an additive one; that is, when we did not have income taxes indexed and you had through inflation a windfall gain to the Federal Government and every year you sat down and divvied up the newfound wealth, when the process was an additive one, there was no hue and cry from the Democrats to allow Republicans to participate in the process, to share in distributing the addi-

tive of the wherewithal of where the Federal Government was going to go; but when you are in a subtractive process, when you have to make tough decisions about where you cut, guess what—"Come on in, let's sit down and talk about how we are going to make decisions. By the way are you willing to front us on the question of revenue? Will you stand up and participate in terms of saying that we have to have additional taxes?"

What was the price to the Republicans on the Budget Committee to sit down and operate as minimal equals? Procedural changes. Procedural changes so that when we say something is going to happen, we to the best of our ability, assure institutionally that it does happen.

Well, you see us here on the floor with no alternative. We would have preferred a bipartisan budget. What we have is no alternative. Why? Because we believe the proper stance is no, no on the President's budget, no on the Black Caucus budget, no on the Dannemeyer proposal, and no on the committee proposal, because the process ought to be repudiated. It simply ought to be walked away from until we are honest with the American people because the American people want to know where we stand, not where we play politics.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, we have just been told that the appropriate position of minority Members elected to serve here is to vote "no" on everything. That is the legislative equivalent of "Stop world, I want to get off."

We do not control the American people in their votes as to who will be in the majority or the minority here. There are rules and regulations which we have mutually agreed upon.

The gentleman is complaining that his party is in the minority. That is a legitimate complaint, but the remedy does not rest with us. It rests with the American people.

I would also point out that the members of the minority, once again, evaded their responsibilities in committee. Let us set the record straight. There were rollcall votes in the Budget Committee, and they voted, "Present." Some were not even present to vote "Present" on defense spending. So how can they claim that defense spending is too low, but when they had an opportunity to vote for higher defense numbers, they were physically and budgetarily absent.

□ 1520

Mr. LATTA. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. THOMAS].

Mr. THOMAS of California. I thank the gentleman for yielding time to me.

Mr. Chairman, I perceive a bit of frustration on the part of the chair-

man of the committee in terms of his inability to corner us. I understand it is difficult for Republicans not to act like Republicans, and that is to try to solve the problems of the country in front of us, but I think that everyone needs to know that you reach a point in terms of trying to participate in a process when finally you realize that the sham is such that you have to say no, and the vote that you will see recorded is on the basis of the process, because the numbers that you folks have generated are based upon phony assumptions, as they have been in the past, and the numbers that you are offering today will not be the final numbers.

We are willing to sit down anytime you are ready to be realistic. If you choose not to be, that is your choice, not ours. You do control the system, you did close the doors, you did make decisions without us being present. That is certainly your privilege. It is also our privilege to say that we refuse to participate in that kind of a farce.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 7 minutes to the gentleman from New Jersey [Mr. ROE], the distinguished Chairman of the Committee on Science, Space, and Technology.

Mr. ROE. Mr. Chairman, I thank the distinguished chairman for his generous introduction and welcoming me to participate.

Mr. Chairman, I want to make the point, we are not talking about Democrat or Republican here, I think what we have to talk about is getting a job done, and a job done for the country. I think that the Budget Committee has had an extraordinary task to carry out, nonpartisan, and they have had to come and adjust many, many areas and what they think is the right thing to do to the country.

Having said that, I do not believe that the budget process is over yet. We have not voted, nor has the Senate voted, as of this moment. Therefore, Mr. Chairman, if you would listen to this chairman's approach, I rise to support this budget, both with reluctance and with great distress. It is a budget that asks us to accept a future of second best for American leadership in space. It is a budget that asks us to dismember our Civilian Space Program. It is a budget that asks us to deny energy security for our future. And it is a budget that asks us to vote no to a more competitive America in world markets.

The budget slash—and I have to, if you will forgive me, speak to function 250—cuts \$1.1 billion below the President's request and makes America's future in space read like an obituary.

Mr. Chairman, I am not going to read the rest of my formal statement, because I have a couple of questions that I want to ask, and I think that

this is a good place to do it, but I want to get across to the Members, both Democrat and Republican, what the argument about the space program is about. It has nothing to do with our desire to take a widget and a gadget and fly another shuttle. In spite of the terrible accidents, we have flown them 24 times.

Why should we be flying the shuttle again viz our leadership in space? Because it is a budget-saving proposition. We have 70 satellites both in the military, the intelligence, the pure sciences, that we cannot fly because we do not have the vehicles to do it. The Department of Defense has told us that there are four critical satellites that are scheduled to be flown come February of next year.

If we cut this program, we are not going to be able to do that, and it is going to exacerbate our situation as it relates to the security of this country.

Now those are the facts. We are second best in many areas because we cannot get our shuttles and our satellites up there and we cannot cut that money. If we have to go and want to fly again, if we want to at all, we have to retrofit the other three orbiters that remain, the other three shuttles. Otherwise we would be running the risk of one more explosion taking place. Nobody wants that on their conscience. Certainly I do not, and I know that you do not. But I think that it is imperative to get across to the Budget Committee that the future of America's security and the future of America's leadership in space and high technology lies in that function of the budget.

Now we speak of providing jobs for people, and I applaud that. We speak about providing resources for the homeless; I applaud that and will vote for that. We speak about need for additional health measures; I will vote for that because it is the right thing to do. But we are not to retreat. We are saying to the great State of California, "Be prepared to lay off 60,000 people." We are saying to Texas, "Lay off another 60,000 people." We are saying to Florida, "Cut down on your base; lay off another 60,000 people, because we are retreating from the opportunity of leadership to create new wealth." That is what space and technology and competitiveness is about: is to put our resources to create a new wealth and new job opportunities, to say nothing of keeping our leadership as we are going.

So I would hope that as the Budget Committee reflects further and as we reflect in the process through the conference that the understanding of the order of magnitude of this issue will be laid to rest and the people of this country and the Members of the House and the Senate will understand the issue and do the things that ought to be done.

Mr. Chairman, I rise to support this budget both with reluctance and great distress. It is a budget that asks us to accept a future of "second best" for America's leadership in space. It is a budget that asks us to dismember our Civilian Space Program. It is a budget that asks us to deny energy security for our future. It is a budget that asks us to vote "no" to a more competitive America in world markets.

The budget slash in function 250 of \$1.1 billion below the President's request makes America's future in space read like an obituary. For NASA and our future in space, we will be voting to keep the shuttle on schedule but we will vote to cancel building structural spares for the orbiter which is our insurance policy for a safe and reliable shuttle program.

We will vote to wipe out space science projects in progress and paralyze NASA's capacity to generate new science ideas and new payloads. We will vote to cancel the hiring of 600 new graduates to provide new blood to an aging NASA.

We will vote to indefinitely delay building our space station while the Russians continue to expand their already functioning space station. Mr. Speaker, these are just examples in the long list of cancellations and delays in NASA programs. The bottom line for America is that we are endorsing the "militarization of space" by default. If we vote to cripple the civilian space effort, we automatically vote to reserve space exclusively for military purposes. This betrays the intent of the original Space Act, the intent of the Congress, and most importantly the intent of the American people.

This same budget slash will have us vote to weaken the foundation of American scientific research, the very core of our ability to create, to innovate, and to invent. The National Science Foundation budget and the Department of Energy general science programs caught in this vise are underpinnings for our future technological advances.

The 100th Congress began with a commitment to improve America's competitive posture in domestic and global markets. We know that scientific research provides a well-spring of knowledge and information that will help us develop future products and processes to sell at home and abroad. When we vote to weaken our science technical base, we diminish our potential for technological innovation and we dishonor our commitment to improve competitiveness. We will register a vote against "made in America."

Mr. Chairman, we are being asked to cut a half billion dollars below the President's request from function 270 which holds the promise of an energy secure future for this Nation.

In 1973, the Arab oil embargo caught America with all its eggs in one basket, the one labeled "oil." World oil did not run out; we just became puppets of Middle East politics. We promised ourselves that this would never again be allowed to happen. The only true insurance against this vulnerability is to have alternatives to oil. Our Department of Energy R&D budget funds the programs for developing those alternatives. Cutting energy R&D funds means canceling America's insurance policy.

This Nation sits on one-fourth of the world's supply of coal. We need to develop and demonstrate the most economical methods to make liquid fuel from our coal. We need to develop and demonstrate inherently safe nuclear reactors. We need to continue research in fusion to insure alternative energy for future generations. None of these programs can move ahead with continuous and predictable progress if we don't have the resolve to hold firm on funding them to fruition. A vote to cut a half billion dollars from DOE energy research is a vote for the powerbrokers in the politics of oil.

Mr. Chairman, I want to finish with a comment directed at my fellow Democrats. I yield to no one in my concern about the deficit. I yield to no one in my concern for the poor and the underprivileged. But, I want my party to think also about the Nation's future. I ask you to consider what policies we must have as a party in order to go to the American public to ask for their support and votes.

We must have a program for progress and for the promise of the future. It must encompass a strong, courageous thrust in space, in energy self-sufficiency, and in technological competitiveness.

Our priorities are wrong when we put off even having a space station a decade from now while the Russians already have two in orbit. Our priorities are wrong when we allow ourselves to become vulnerable to energy blackmail.

The voters want leaders who have vision and courage. It is our responsibility as leaders to act accordingly.

Mr. Chairman, could the distinguished chairman of the Budget Committee give us some idea of what he sees down the road to try to ameliorate this very serious situation that affects our country?

Mr. GRAY of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. ROE. I yield to the gentleman from Pennsylvania.

Mr. GRAY of Pennsylvania. I would say to the distinguished gentleman who has announced his support for this budget and yet admits that as a result of the restrictions of Gramm-Rudman and the inability to broaden significantly the revenue base, that we cannot fund education as well as transportation as well as space and defense all at the same time, and Social Security, the committee has had to make choices. What we expect is right now we are 0.7 percent below a freeze in function 250. We are 3 percent below the CBO baseline. The 12 percent that keeps being referred to is 12 percent below the President's request. So that is where we are in function 250, is less than 1 percent below a freeze. In other words, the space program right now if this budget became the final budget would get 0.7 percent less than it got this year. I expect that the Senate—

Mr. ROE. That is a difference, however, of \$1.1 billion. We cannot fly, sir.

Mr. GRAY of Pennsylvania. I understand that when we talk about 1 per-

cent in a program that is a multibillion-dollar program, we are talking about significant money, but I use the percentage to give an illustration of what we are talking about in terms of the reduction.

I would point out to the gentleman, who is the chair of our Science, Space, and Technology Committee, that right now, today, the Senate has passed a budget out of committee which has a higher figure, of approximately \$750 million in outlays. Of course they will have to pass it on the floor, and we will go to conference. Exactly where we will come out, this Chair cannot predict at this time. But I would probably imagine that it may come in with a higher figure that we will have to come back with a conference report that does something that moves in the direction that the gentleman from New Jersey would respect and desire.

□ 1530

I thank the gentleman for his support for this resolution. I know it is a difficult choice for him since he has jurisdiction over a committee that he feels very strongly about.

I would also point out that as long as we have the restrictions that we have, you cannot fund Social Security, education, health care, military, transportation, energy and everything and have business as usual. We are going to have to address this problem of deficit reduction. The committee has made its prioritizations, and we hear clearly what the gentleman from New Jersey is saying, that he hopes that when we go to conference we will be mindful of the committee's concerns that there needs to be some movement forward.

Mr. ROE. There is a saying, however, that my father taught me. He said to me that half of nothing is nothing. And the second point he taught me was the operation was a success but the patient died.

So I hope we are successful in our operation, and I thank the distinguished gentleman.

Mr. LATTA. Mr. Chairman, I yield 7 minutes to the gentleman from Texas [Mr. ARMEY].

Mr. Chairman, will the gentleman yield?

Mr. ARMEY. I am happy to yield to the gentleman from Ohio.

Mr. LATTA. I thank the gentleman for yielding to me. I just want to compliment the gentleman from New Jersey who just left the well on a very excellent statement. But I do not see how he comes to his conclusion that he can support this budget with the cuts in the States' program of the magnitude and the seriousness of those cuts, and how many people will be laid off in Texas, California, and Florida while we are continuing all these other programs at full steam ahead. It is one of the arguments that

we have against this budget. It is not an evenhanded budget. They take care of their own, but these programs that they do not particularly care for are out, you are going to take your cuts. One of them, unfortunately, happens to be the Space Program, and another one happens to be defense. The security of this country is involved.

I think we have to take a hard look at where our priorities are.

Mr. ARMEY. I thank the gentleman for yielding. I too have to say that I was amazed to think that anybody who had enough time and tenure and experience here to be a committee chairman would buy off on the oldest gambit in the House, which is, we will fix it in conference. I doubt that the gentleman can count on that.

Mr. ROE. Mr. Chairman, will the gentleman yield to me? He did make reference to me.

Mr. ARMEY. I yield very quickly to the gentleman from New Jersey.

Mr. ROE. Very quickly, I want the gentleman to know that each one of us is elected by our own people and we vote as we see fit. I happen to think that the Budget Committee is doing a creditable job, and it is a tough job.

My mission as chairman of this committee is to point out to that particular Budget Committee and the Members of this House the severity of the area of our concern. That was the intent.

Mr. ARMEY. I appreciate the gentleman's point.

Mr. ROE. Whether the gentleman agrees or not, that is something else.

Mr. ARMEY. I think the gentleman did a very good job. I was only saying that I have learned at least not to believe it when I am told we will fix it in conference.

Mr. Chairman, don't be deceived. The Democrats tax and spend budget is a wolf in sheep's clothing. It entices with the promise of new spending, yet it devours with its hidden tax bite. Even the way this budget is being presented—with a sequestration budget lurking in the dark woods if we don't buy the ruse—is indicative of how worried the democrats are that this budget will be defeated.

Through deep cuts in defense, large tax increases, blue smoke and mirror savings, unspecified and/or unrealistic cuts, and waffling economic assumptions, the Democrats are barely able to achieve their true objective: The perpetuation of the tired, failed policies of the past—perpetuating an ever-growing expansion in the size and scope of the Federal Government.

While protecting many of the bloated excesses of the past, the budget resolution passed out of the Budget Committee also proposes new initiatives budgeted at a cost exceeding \$12 billion for fiscal years 1988-90.

Their budget resolution proposes to double what we spend on AIDS fund-

ing—from \$411 to \$970 million. This despite the fact that the \$411 million represents a doubling from the year before and reports that it would be impossible for the scientific community to absorb and spend this large an increase in 1 year.

Their budget also increases numerous education and social programs, but refuses to specify what the increases are, lumping them all under a \$2.2 billion increase. And they target \$450 million in new budget authority to expand homeless assistance efforts.

Just as important as what you see in this budget is what you don't see. The Democrats are assuming both welfare reform and catastrophic health insurance will be deficit neutral. Yet they fail to cost out their flagship welfare reform proposal proposed by HAROLD FORD which CBO estimates would increase outlays by some \$5 billion over 3 years and by \$12.4 billion over 5 years.

The fact is that the Democrat's budget is chock full of the failed policies of the past. The Democratic solution has always been to identify a problem, throw billions at it, and then when the problem worsens, to lament that we haven't spent enough. Their vision is shortsighted, and the cost of their shortsightedness is something which our children will bear for years.

However noble the cause, we have to realize that there are functions which the Federal Government was never intended to and cannot carry out. As much as we would like to offer everyone a helping hand, economics dictate you can't give to one what you haven't taken from another.

I'm not opposed to new initiatives, but I believe that just as we identify new priorities we need to reexamine past commitments. If we decide that AIDS research demands more Federal dollars—which I believe it does but not to the magnitude to which the Democrats propose—then we'll have to identify another Federal program which we can cut back.

If we want to help the homeless with additional funds on top of the tens of billions we spend on welfare, medical assistance, and categorical block grants to State and local governments, then we'll have to cut back somewhere else. Homelessness is a serious problem. But where does the Federal responsibility end?

Priorities; a simple concept, but one which Democrats just can't seem to get a handle on. It means tradeoffs and living within your means, something which the "we-want-it-all-and-we'll-increase-your-taxes-to-pay-for-it Democrats" can't understand.

And increase taxes this budget does. How do the Democrats propose to pay for their generosity. They are calling for unspecified tax increases of \$18 billion in fiscal year 1988 and \$57 billion

over 3 years. What type of tax increases are we looking at? Well, at this point they are unspecified, but if the Speaker has his way—and they seem to have a way of doing that around here—we'll see the Congress renege on the promise of lower tax rates which we promised the American people in tax reform. Another of his proposals would be a stock transfer tax. Who knows, maybe they will try to enact both.

How much reminding do we have to do to get the point across that the American people don't want to pay higher taxes to support the fiscal profligacy the Democrats propose. The lack of tax revenues is not our problem, out-of-control Federal spending is the culprit.

In a recent study of the relationship between the proportion of national income taken in Federal taxes and Federal budget deficits, Dr. Richard Vedder of Ohio University found that—

New taxes have a temporary impact of reducing deficits, but that impact is more than dissipated within a year.

Dr. Vedder's conclusion:

New taxes mean a larger public sector relative to the private sector, but do not typically mean smaller budget deficits:

Dr. Vedder's statistical analysis can be translated succinctly into something anyone with any time on Capitol Hill can easily bear out: Tax increases will not balance the budget. The propensity to spend is always greater than the willingness to tax.

In two key areas, I had hoped the 99th Congress would be remembered as a turning point where we struck a balance between our wants and desires and our ability to pay. In a bipartisan fashion, we passed Gramm-Rudman-Hollings and we passed tax reform. We defined with Gramm-Rudman a limit on Government borrowing and we limited, with tax reform, the amount of toil we'd extract from the American people. We had finally, I hoped, put the big spenders between a rock and a hard place. They couldn't raise taxes and they had to get the deficit down. It wouldn't be easy, but working together we could identify and cut those programs which had outlived their usefulness while reprioritizing Federal spending to meet changing demands.

Yet before the ink was dry on tax reform, and before we'd really been faced with Gramm-Rudman's painful choices, I hear from my Democratic colleagues that they want to raise the rates we locked into place with tax reform and abandon as unreachable the Gramm-Rudman target.

Earlier today, we spent several hours debating the Humphrey-Hawkins full employment implications of our budget resolution for fiscal year 1988. I always find it interesting to hear the arguments of those who forget—or never knew—that it's the private

sector that creates jobs and economic opportunity and not the Federal Government. To hear some of them talk, if the Federal Government doesn't spend money it doesn't get spent at all.

This is absolutely ludicrous. In fact, I'd argue that if the Federal Government took a smaller share of personal and corporate earnings, we'd see dramatic increases in job-creating potential. After all, a dollar paid in taxes is a dollar less to save, invest, or spend on income-generating and job-creating goods.

What some of my colleagues fail to see is that their misguided attempts at income redistribution result in what we label in the economics profession as pareto malevolence. That is, after all is said and done, there is at best only a fairer share of a smaller pie. The private sector creates and sustains employment and employment opportunity; the Federal Government, through excessive micromanagement, will only inhibit and limit the very jobs it seeks to protect or promote.

In closing, let me say I was both amused and saddened by a quote in this morning's Washington Post:

We're going to have charts and horns and whistles and any other type of illustrative gimmick we can think of.

Amused, because it's so typical. Saddened, because it's the American people and not our colleagues who will be deceived by the Democrat's gimmickry.

Perhaps it's a pipedream, but I'm still hoping responsible and forthright Members of Congress can come together to give us a responsible Federal budget. I'm convinced that the first step toward that responsible budget is the rejection of the budget resolution proposed by the Democrats on the House Budget Committee.

Mr. Chairman, I would like to respond as a member of the Budget Committee to one point. The distinguished chairman of the Budget Committee has expressed his concern and his dismay that we on our side of the aisle have not participated as fully in the process as he would have liked us to.

As a member of the Budget Committee I cannot help but take his concerns a little bit personally, and let me remind the gentleman, as he reminded us, he has won control of both Houses of Congress, and control them you do with an iron fist. If you will continue as you do to show callous disregard to the minority rights in this body, and subject us to the most tyrannous treatment by a majority, then we will continue as we do to stand down from the process and let you fry your fat in the fires you build.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Georgia,

[Mr. JENKINS], a member of the committee.

Mr. JENKINS. Mr. Chairman, I thank the gentleman for yielding. In this very brief time that I have, I want to talk about the budget resolution that we will be reviewing and voting upon tomorrow.

□ 1540

You know, to the credit of the President of the United States he presented a budget. He presented a budget to the American people and to this Congress. It is true that his budget did not get a single vote from the Republicans in the Budget Committee. When that document was presented, every single Republican voted "present." To the credit of BILL DANNEMEYER, a Republican from California, he is offering a budget so that we will have the opportunity tomorrow to vote upon his budget resolution.

Now, the Republican leadership has taken the position that "No, we will not vote for Dannemeyer's resolution, we will not vote for the President's resolution, we will not vote for the Budget Committee resolution, we will simply vote against all of them."

You know, if you have that type of participation, Lord help us if we should assume that attitude when we are at war. We let somebody else go and participate, but we will not take either side, we will simply sit back and say, "No, I will not participate."

I think that this budget resolution could have been a better budget resolution. I think that if the minority had chosen to participate that they could have made it a better resolution that could have been broadly supported.

Simply because you choose, for whatever reason, whether it be political or otherwise, not to participate, not to take the responsibility of voting, that is a decision that each individual Member has to make; however, I cannot help but think that down the road when you are speaking to your civic clubs or when you are talking with some of the 600,000 people that you represent—when you are attacking this budget resolution because it has too much in revenues even though they are about the same as the President requested; or when you are attacking this resolution because it cut agriculture too much or because it does not suit you in defense, that someone in your audience might ask, "Well, I understand you voted 'no' on that, but how did you vote for our President's budget?" And then you say, "I voted 'no' on that because I did not like it. It cut too much in some areas that I did not like."

"Well, did you offer one of your own to the full House? Did you offer your solution?"

"No, I just thought it was best that we vote 'no' on all of them. I thought

it was best that I not participate in committee, but simply vote 'present.'"

I think that is a very weak position to take, not only a politically weak position, but also one that is weak as far as this institution is concerned.

It is true that this budget resolution does cut about \$1 billion from agriculture, but the President's budget cut \$4 billion from agriculture. So there is some improvement for those that are particularly concerned about agriculture.

It is true that there is some decrease in Medicare. I might point out that in 1980 part B deductible in Medicare was \$355; in 1987 that will be \$809, an increase of \$454. Now, the President's budget would have cut \$14.4 billion more on top of that over the next 5 years.

The administration has, again, in order to present its budget resolution, impacted very severely upon some people who simply cannot withstand the increases that they have already experienced in the last 4 years.

This is not a perfect plan; yes, it does call for revenues just as the President's does; yes, it does call for a lower defense figure even though it is higher than the outlays of last year; and, it is a reduction certainly from the President's plan. But this is not a reduction in defense from the Republican substitute because there is no Republican substitute. We are providing a substantial amount in this resolution for defense expenditures.

It is the responsibility of all of us to try to make a reasoned judgment upon every piece of legislation that comes before us. And, yes, maybe there will not be, as the last speaker indicated, any improvement in conference; but I can make one commitment to you because I have this degree of confidence in my chairman and members of the committee: When we get into conference, we shall not vote "present." We shall at least take some position on all the issues before the conference.

Mr. LATTA. Mr. Chairman, I yield 6 minutes to the gentleman from Texas [Mr. COMBEST].

Mr. COMBEST. Mr. Chairman, we are back here for the same type of debate that has continued for the short 3 years that I have been in the Congress. This body has many times said that the President's responsibility is to submit a budget which reaches the goals of deficit reduction. He did that.

For the past several weeks, he has been beat upon severely for it. He submitted it in complete detail. We can see every line of it. We may not like it, but he did do what the Congress says he should do.

Now it is the Congress' responsibility to come up with a budget that is their alternative. They have done so and many of those are using the argument, it seems, that rather than how great it

is, it seems to be the only alternative to the President's budget. Many of those people who may be watching this debate today might be under the assumption that we have to vote for one of them, from the debate that has gone on in this body today. We do not have to vote for one. We in fact could try to reject them all.

Just because it happens to be the only one on the floor does not mean we necessarily may like it. I am not going to vote for the President's administration budget, I am certainly not going to vote for the budget which is being submitted by the committee.

Analogy was made earlier today that those who row the boat do not have time to rock the boat.

Mr. Chairman, many of us have not had the opportunity to have the oars. Many of us on the committee did not go and vote "present." In fact, we are all a part of a much bigger boat rather than the budget boat and that is a boat that we all fall into. Those of us who dislike these proposals are not going to support them.

We are going to keep doing our own little paddling in the direction that we want to see it go and hopefully we can get enough other people paddling in the same direction so that we can.

Just because it is the only one on the floor does not mean that we have to support it.

I ran in 1984 on a strong concern about the budget and about the way expenditures of this country have been going in the past several years, to continue to try to deal with it from the spending side rather than the taxing side, and I continue that commitment to my people in my district. I have severe economic problems in my district, probably the most severe in the last 50 years, relative to agriculture and to the energy industry. Yet, every time, whether it is a poll, whether it is a questionnaire, whether it is a survey, regardless of the means by which we gather the data, the information always comes back that the No. 1 problem as far as constituents in my district see it is the national deficit.

It was said earlier that the defense of the fact that this budget came in one or two pages was that in 1981 there was a one or two page budget which had to be dealt with. I was not here in 1981. I did not have the opportunity to vote for or against that. But I am here today and I have the opportunity to vote for or against this one and I will vote against this one. There are a lot of things I think we can pick that are wrong with this budget. Many things concern us a tremendous amount.

Last year the Congress passed an overall sweeping tax reform which was touted as a tax break for the American citizen or for the average American citizen.

Just a few months later now we are looking at a budget that will increase taxes and fees. More disturbing I guess than that is we do not know exactly where or exactly how they are going to increase them. Those individuals who indicate that we cannot do some cutting in Federal spending say that it would be disastrous for the economic foundation of this country. For one of those who represents a district, again, that is in very, very severe economic straits, I would be the last one who would support an effort, or oppose an effort which I felt would be devastating to an already faltering economy.

Certainly one of the concerns that concerns me as a Texan and many of my Texas colleagues is a provision that would cause the strategic petroleum reserve to be filled at the expense of the domestic refiner.

□ 1550

This would be an adverse impact on this industry, which is already suffering greatly due to some very, very ill-advised energy policy. It would certainly be an additional hindrance and certainly would be an additional threat to our national economy.

What can we do? We are saying we cannot vote for what we have before us today. Even under the figures which the committee is using, the CBO indicates that over the next several years, by 1992, we will grow with just moderate healthy economy something in the neighborhood of \$70 billion a year, something like \$400 billion, and the next 5 years, simple arithmetic indicates the fact that we could use some of this money, just some of this money.

We do not have to have these draconian cuts in order to reach the deficit targets. We do not have to have tax increases. If we would just do, as all we are asking the Congress to do, what we ask the American people to do, and that is to live within your budget, live within your revenues, do not raise taxes; do not make huge cuts, just try to be somewhat responsible about the way in which we deal with the budget process.

Mr. Chairman, I rise before the House today to discuss a subject that ranks at the top of the list of concerns in my west Texas congressional district—the Federal budget deficit. Distressed farmers know the effect that our national economic condition has had on American agriculture. Small businessmen are concerned about restraints on competitiveness posed by a government that cannot efficiently manage its resources. Across all sectors of the population, there is no question that a \$170 billion deficit is extremely unhealthy for the American economy.

We in Congress have the privilege and responsibility of representing these concerned citizens. In 1985, we demonstrated our commitment to dealing with the burgeoning Federal deficit by passing the now well-known Bal-

anced Budget and Emergency Deficit Control Act. I supported that legislation, and I continue to believe in its effectiveness, despite criticisms from many who would like to repeal the law and revert to the old tax and spend system of government. The sad truth is that the Federal Government is living beyond its means. It is spending far more than it is taking in through taxes and then covering that shortfall by heavy borrowing. It is the continued desire of some to maintain such irresponsible spending habits that is damaging efforts to restore economic vibrancy to the United States.

Before I comment on the budget resolution sham that is before the House today, I would like to express my belief that basic changes in the budget process are needed if we are to even come close to putting this Nation's budget back in the black. While the American people are paying the Government to prudently manage and allocate their tax dollars, the congressional budget process has become nothing short of political ammunition, used to berate the other party and twisted to gain political points. Our fiscal policy machinery is broken and drastically in need of repair.

When I ran for Congress in 1984, I promised the people of west Texas that I would do everything in my power to cut wasteful Government spending and work to reduce the deficit—without raising taxes. I maintain that commitment, and I am strongly supporting efforts to enact a balanced budget/tax limitation amendment. Despite my usual reluctance to support any amendment to the Constitution, I believe that such a restraint is necessary if we are ever to see the end of the tax and spend style of government.

Other reforms are also in order. The list of defects in the congressional budget process is frighteningly long, ranging from routinely missed budget deadlines to continued spending add-ons to breached spending ceilings. I am cosponsoring, and will continue to push, legislation that would restore an effective automatic sequester mechanism to the Gramm-Rudman law and to reinstate the pre-1974 rescission procedure. These changes are needed to bring some order to the budget process and to force the hard choices that Congress has avoided while building the largest spending and debt mountains in history.

Today, the terrible breakdown of our budget process is evident in the budget resolution that we are considering for fiscal year 1988. There are many reasons why I intend to vote against this supposed deficit reduction effort. One of my greatest concerns is the whopping \$21.8 billion in new taxes and user fees contained in the Democrat budget. Coupled with a devastating reduction in the defense budget and an expansion of several domestic programs, the Democratic budget resolution exemplifies the old tax and spend policy that has left this Nation's economy faltering under the burden of an outrageous Federal deficit.

Last year, Congress passed a sweeping overhaul of the Tax Code that was touted as a tax break for the average American. Now, just months later, we are considering a bill that will increase taxes and fees. What is particularly disturbing is that we do not know exactly how or where those taxes will be levied. Those who support the tax increase contained in the budget like to claim that we

cannot cut spending to reduce the deficit without causing dangerous tremblings in our country's economic foundation. Tax increase proponents have tried to label anyone who does not support increased taxation of the American people as a draconian economist, willing to randomly slash Federal spending with no regard for the effect of those cuts on individuals and the overall economy. As one who represents a district where the primary economic bases, oil and agriculture, are in the worst state in over 50 years, I would be the last to support deficit reduction efforts that would pull the rug out from under an already faltering economy.

The truth is that we could balance the budget over the next 4 years by holding spending and dedicating a portion of ordinary Federal revenues to the deficit reduction effort. In a moderately healthy economy, the Federal Government is the beneficiary of economic growth. Each year, approximately \$70 billion of additional Federal revenues is generated. According to CBO, continued economic growth will amount to almost \$400 billion of additional revenue by 1992. Simple arithmetic demonstrates that even with very limited economic growth, revenues will grow fast enough to exceed the deficit reduction targets required each year until 1991.

My west Texas constituents and all Americans are already contributing to deficit reduction by sharing the fruits of their labor with the Federal Government. They do not need to be subjected to a tax increase, like the \$100 billion in new revenues over the next 4 years proposed in the Democrats' budget resolution. The Federal Government can and should use its own revenues in the deficit reduction effort. I will join my colleagues in opposing this budget resolution, and I will continue to work to make fundamental changes in the irresponsible way that the Federal Government has been managing its money.

Mr. FAZIO. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Mr. Chairman, I rise in strong support of House Concurrent Resolution 93. I commend the distinguished chairman of the Committee on the Budget and the members of that committee for an outstanding job. They have wrestled with a difficult and almost impossible problem, but they have come forward with the best possible solution to this awful situation in which the Nation finds itself.

Like most other Members, I began the 100th Congress with a great deal of skepticism and reluctance about participation in the budget process this year. But the resolution before us today constitutes enormous forward progress toward reducing the deficit in a fair, sensible, and balanced manner.

Beyond that, it does other things which are important. It keeps in place, and it funds at the best possible levels, although in many instances, barely adequate levels, programs for health, health research, consumer protection, transportation, navigation, roads, highways, the environment, environmental protection, Superfund. It adds

moneys where needed for research into AIDS, the greatest single health threat this country faces, and a problem which will grow to terrible proportions by the year 2000.

It maintains transportation in the Northeast and elsewhere: Amtrak and mass transit will be funded. It deals with the problems of the homeless; it provides funds for infant mortality and the elderly poor. It protects programs of specific benefit for low-income Americans.

It spends money wisely. It puts enough money into the Customs Service. It sees to it that our health and our education programs are properly funded. It is a sensible, rational program of expenditures in the public interest.

This is a budget which makes sense. It takes care of natural resources. It preserves the strategic petroleum reserve, the only single protection this Nation has against energy shutoffs.

There is not waste here. There is investment in the future of this Nation. If you are interested in your country becoming a second-rate power, then by all means vote for the administration's budget. You may have an enormous amount of money there being squandered for defense, but with regret, you will find that there will be, after a very little while, very little to motivate an American soldier to defend his country.

The hard fact is that the Congress has reduced the President's spending requests since he came to office by some \$35 billion.

Domestic spending has declined as a share of GNP since 1981, and yet, despite the restraints that have been imposed on our President since that time, the budget deficit has nearly tripled since he took office.

Growth in the budget deficit can be attributed to many things. Three are particularly important: Tax cuts, increased defense spending and interest on the national debt piled up under this administration. These three factors alone have added \$160 billion to the deficit since 1981.

Mr. Chairman, this budget at last begins a reversal of these several unfortunate trends. But what we need is a comprehensive solution, and to achieve that we need a cooperative approach on the part of all parties—a willingness to put everything on the table and negotiate.

We won't make progress so long as the President insists on removing items from the table even before we sit down. That, my friends is the real challenge we face.

Mr. BUECHNER. Mr. Chairman, I yield 6 minutes to the gentlewoman from Connecticut [Mrs. JOHNSON].

Mrs. JOHNSON of Connecticut. Mr. Chairman, what we, the Republicans, do here on the floor today is not easy

to do. We are conscientious legislators; we have worked hard on this budget process; we have a long and honorable tradition of offering responsible budget alternatives.

What is at issue here today is the budget process that governs this Nation, its complete paralysis and its complete failure.

Ladies and gentleman, people that I represent are losing their jobs because of America's trade deficit, and we on the Committee on the Budget have received testimony after testimony to the effect that if we do not address the domestic deficit, we cannot address the trade deficit; that no matter what we do about trade law reform, we will continue to suffer the effects of our trade imbalance and those effects are people that I represent losing their jobs and their communities going under.

We have got to do better this year in addressing our domestic deficit honestly and effectively than we have in past years. We do not, on the Republican side, offer an alternative this year because we want to focus on the proposal that the Democrats have made and its astounding weaknesses and on the complete failure of the process.

We also do not offer an alternative because we would remind the majority party in the House, the Democrats, that last year, we were the party that offered the responsible alternative. It was the Republican alternate budget that was very close to, almost identical to the budget that was adopted out of the conference committee.

In other words, we were the responsible party last year. We did the budgeting job last year, and you voted our proposal down on party lines.

What happened in the year before that? The 92 Group came in here, a Republican group, with a budget that line-itemed every expenditure cut. The House Democrats said that that is really wonderful; that is admirable. Your budget cut \$50 billion without hurting people, but we can do better. Vote for ours.

The body voted for theirs, and 3 days later, that \$50 billion disappeared and withered and shrunk to \$38 billion. Why? Because the Committee on the Budget did not have the conviction or the commitment to an honest budget process that would have required their budget proposal to go to the Congressional Budget Office to be reviewed and evaluated.

They did not allow CBO to see it until we voted on it. What was \$50 billion became \$38 billion.

On the Republican side, we let the budget go through CBO before bringing it to the floor and what was \$50 billion one day was \$50 billion the next day.

But the body followed the leadership of the Democrats on the Committee on the Budget and adopted a

budget that shrunk from \$50 to \$38 billion.

Today's problem was not created today; it was created back there, 2 years ago, because that \$38 billion shrunk to \$10 billion when the appropriations committees were done.

But undaunted, the Republicans offered last year the responsible alternative. Again, it was voted down, but in the end, it was our budget, not theirs, that was very close to the budget that was agreed to by the House and Senate and became the document.

This year, the Democrats on the House committee have brought the budget process into the realm of pure theater. This year, they offered us a one-pager on the trillion dollar budget we need to guide this Nation in the future to address the domestic deficit and the trade deficit, to save the jobs that my people are losing. One page. No explanation, no questions answered.

When members of the committee asked questions, they were responded to with a monotonous, repetitious statement that the floor was open for amendments only.

□ 1600

Finally, when we discovered how to ask questions by making a motion—and it was a foolish motion, granted, a motion called striking the last word—when we found a way to ask questions, then those questions again went unanswered, but because we were asking real questions about an unreal document, the chairman recognized one of his own. They moved to vote on the budget, they voted on the budget and sent it out of committee.

Mr. Chairman, the process was a sham, and the document is a sham. It cannot guide this Nation over the next year, just like last year's budget has failed to guide the Nation over this year, because we are already \$15 billion over the outlay figure on those reforms that we know are essential to assure an honest and effective budget process here on the floor. It is time that we unmasked the budget that is before us as being a lot of numbers behind which there is no commitment, and I hope later in the debate to be able to detail some of those sham figures and the way in which they cannot serve us in the year ahead.

Mr. FAZIO. Mr. Chairman, I yield 3 minutes to the gentlewoman from California [Mrs. BOXER], a member of the committee.

Mrs. BOXER. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, we have a job to do. We might not like it, but we have a job to do, and that job is to pass a budget. That job is not to bash a budget, but it is to pass a budget.

Now, is our budget a perfect document? Of course not. But the choices we made were fair.

Let us compare the Democratic budget to the President's budget on the question of fairness in terms of cuts. I ask the Members to look at the chart. Both budgets cut spending, but how much and where?

Under the Democratic budget, the actual spending cuts total \$18 billion. How do we get to that? We divided those cuts fairly, 50 percent or \$9 billion in domestic cuts and 50 percent from the military budget—a very fair 50-50 split.

What did the President do? He actually cut spending \$14 billion in his budget. Domestic cuts are \$22 billion, and there is an actual increase on the military side of \$8 billion.

In other words, I would point out to my friends and colleagues that we had 100 percent of the cuts on the domestic side of the budget and no cuts but an actual increase on the military side of the budget. I ask the American people if that is fair.

We made our cuts fairly. There are no sacred cows in our budget. Both the domestic side and the military side contributed to deficit reduction.

I must say to my dear friends on the Republican side of the aisle who criticize our defense number as being too low that I would remind them that they had three amendments, three opportunities to vote on a higher defense number. I say to them, you had the Fazio amendment, you had the Leath amendment, and you had the Jenkins amendment which offered the President's defense number of \$312 billion. What did you do? You voted "present." You chose not to vote even for the President's defense number, and now you complain about our number. I do not think that is fair.

In our budget, again there are no sacred cows, but we do save proven programs for our elderly, for our sick, and for our homeless. I think the American people respect that much more than they do budget-bashing.

Mr. MAVROULES. Mr. Chairman, will the gentlewoman yield?

Mrs. BOXER. I am very happy to yield to my friend, the gentleman from Massachusetts.

Mr. MAVROULES. Mr. Chairman, I would like to be assured that we have some additional time so I may enter into a colloquy with the gentleman from California.

Mr. FAZIO. Mr. Chairman, I yield 2 additional minutes to the gentlewoman from California [Mrs. BOXER].

Mrs. BOXER. I yield to the gentleman from Massachusetts.

Mr. MAVROULES. Mr. Chairman, I just want to express my support for the statement that the gentlewoman from California [Mrs. BOXER] made, and I commend her for it.

There is an attitude prevalent that we are perhaps cutting too much out of defense. The facts speak differently. As a matter of fact, during the last 7 years, the last year of the Carter administration included, the real growth of the defense budget of this country was 5.4 percent on an average over 7 years. That is a lot more than the 3-percent real growth that some people were talking about as a stabilizing effect.

If I may, at this point I would like to cite for the gentlewoman from California a couple of areas we have been referring to just so we can get the facts straight so when Members vote tomorrow, they will have a true picture of the defense spending in this country.

In the area of SDI—and SDI, by the way, was not a program until 1983, as the Members well know—in 1984 it was \$1 billion. In 1987 it was \$3.5 billion, for an increase of 250 percent.

In nuclear strategic forces, in 1981 that figure was \$20 billion. In 1987 it was \$41 billion. It had doubled in 6 years.

Procurement for weapons: in 1981 it was \$48 billion; in 1987 it is \$85 billion. Again it has almost doubled.

Here is another startling figure: shipbuilding: in 1981 it was \$5.2 billion, and in 1987 it is \$10.1 billion.

So in reality, so that we can set the record straight and so maybe I can support the gentlewoman's argument in an even stronger way when we get to the votes tomorrow, we have a 5.4-percent real growth increase in defense spending. Under this administration, including the 2 years when it was reduced by minus 2 percent, I think that is a pretty good average for the security of our country, and certainly it is a good procurement procedure for the stabilization of the Armed Services Committee.

Mr. Chairman, I thank the gentlewoman very much for yielding.

Mrs. BOXER. Mr. Chairman, I thank the gentleman for his contribution.

Mr. BUECHNER. Mr. Chairman, I yield 2 minutes to the gentleman from Utah [Mr. HANSEN].

Mr. HANSEN. Mr. Chairman, today's debate reminds me of the old saw I once heard of the time in the Constitutional Convention where one of the delegates moved "that the standing Army be restricted to 5,000 men at any one time." George Washington, as Presiding Officer, could not offer a motion, so he turned to a colleague and whispered, "amend the motion to provide that no foreign enemy shall invade the United States at any time with more than 3,000 troops."

I do not think it is a question of fairness, Mr. Chairman. I think it is a question of the fact that you do not mark in military to a budget; you mark to a threat. Many of our people,

as they crossed the Plains, had their whole destiny predicated on the threat coming over the hill at the time, and they just could not allocate 26 bullets at a time. There was no promised land if they did not mark to the threat.

Mr. Chairman, because we heeded the words of our Founding Fathers, our country has been blessed in that we have not had a full-scale conflict within the United States since the Civil War. We have sent American soldiers overseas to defend the freedoms of others, but we have not had to fight to defend freedom within our own borders for over a century.

Unfortunately, the rest of the world has not been so lucky.

While we have enjoyed the benefits of a strong national defense, I think many of us have taken those benefits for granted. We seem to have a difficult time accepting the reality that the price for peace and freedom is not cheap. In fact, it is sometimes high. But when those payments are slowed down or stopped, our freedom—and, indeed, the freedom of the entire world—is jeopardized.

However, while we all recognize that we must spend money for a more secure world, we also recognize that our current budget deficit poses a serious threat to the economic well-being of America, and that America's next generation will be threatened if we do not get spending under control today. But there is an equally important threat that this resolution overlooks.

Just as we cannot jeopardize our children's future with increased deficits, we also cannot jeopardize their chance to live in a peaceful and secure world.

The national defense budget of \$288.7 billion, as proposed by the Budget Committee cripples our entire Defense Program. It throws in the trash all the months of careful work that the Armed Services Committee spent analyzing the size and scope of the threat facing our country. We looked at every aspect of defense spending, from pay for service members, to procurement of funds for the purchase of planes, tanks, naval vessels, spare parts, ammunition, maintenance, and training.

We marked to the threat! We did not seek dollars for the sale of dollars! In coming up with our defense budget, we said \$304 is the degree of risk our country is willing to accept.

This resolution does not view defense as a national priority. If my colleagues really want to claim "bragging rights" back home as to what they have done for their country today, it will not be because they voted for a bill which shoots holes through our vital defense programs. It will be because they were willing to pledge a real commitment to their constituents for peace.

Mr. Chairman, I urge the Members to defeat this resolution.

Mr. FAZIO. Mr. Chairman, I yield 3 minutes to the gentleman from Minnesota [Mr. OBERSTAR].

□ 1610

Mr. OBERSTAR. I thank the gentleman for yielding me this time.

Mr. Chairman, the previous speaker on the Republican side of the aisle said that they are going to vote "no" on all of the budget alternatives. It strikes me that that is the moral equivalent of voting "present." It says what they are against, but it does not tell the American people what they are for. The answer to that question is the most important one in this body. Judging by the way they intend to vote, we will have to discern the answer as though we were reading tea leaves.

The budget process is an exercise through which we formulate and express our values. It shows how we view the current state and the future condition of "Good Ship America."

The budget that we present deals fairly and responsibly with the issues reflected in the current condition of Good Ship America, and transportation is one of those issues. But transportation is not just a budget function. It is what links us together; it is what makes us a nation rather than a collection of individual States.

The budget that we present for transportation is a responsible one. It shows that we have made a commitment in this budget to the responsibility of the Federal Government to join State and local government in maintaining our national transportation infrastructure system.

The committee resolution reflects a strong commitment to the Federal Government's continuing role in transportation as a national responsibility. It provides the funds needed to cooperate with State and local governments in the planning and carrying out of transportation projects that are critical to the functioning of this Government.

We debate national priorities on this floor in the context of this budget resolution, and there is a national priority that we ought to be considering today and that is infrastructure.

On April 5, a miniversion of "infrastructure apocalypse" occurred in Amsterdam, NY, when a bridge collapsed killing several people. The aftereffects of that bridge collapse will disrupt the lives and livelihoods of thousands of people; their ability to travel, to reach their jobs, to visit friends and family, to carry out commerce, and that bridge and the thoroughway that links it to the cities and the industries and the homes of people throughout this region of the United States is an es-

sential part of our national infrastructure.

There are 104,000 bridges throughout this country that are dangerous. We need to provide the funds necessary to repair those bridges, to sustain the infrastructure, to sustain the network of transportation that is essential to our economy and vital to the process of maintaining a strong and vigorous national economy. The committee's budget resolution responds effectively to that need.

It is really unfortunate that our colleagues on the other side do not want to stand for something, because there are many positive and constructive provisions that can and should support. Transportation, as reflected in this budget, is one of them.

Mr. BUECHNER. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. WORTLEY].

Mr. WORTLEY. I thank the gentleman for yielding me this time.

Mr. Chairman, Americans believe in choice. We have the freedom to make meaningful choices about nearly everything from the cars we drive to the President of the United States. In particular, being a Member of the Congress of the United States is a product of choice. We chose to run for office, our constituents chose us to represent them, and now we are responsible for making the important choices that shape the Nation. Unfortunately, the majority party of the House of Representatives has abandoned their responsibility to make important budget choices. In addition, they refuse meaningful consideration of choices proposed by the minority.

The majority would like us to believe that the Budget Committee's document is a result of informed and reasonable decisions. It is not. In fact, it is difficult to decipher what this document is even proposing outside of the fact that deep cuts will be made in national defense and that taxes—probably income taxes, \$18 billion of them—will be increased. Income tax increases are far different from what the President has suggested as ways to increase revenue, and some increased revenue is necessary to close the budget deficit. But revenues should be collected by improving the allocation of Federal credit programs, selling loan assets and other assets, improving tax enforcement, privatizing certain Government functions, and charging reasonable user fees for Federal programs that deliver services to identifiable beneficiaries. Increases in the marginal income tax rates for individuals and businesses is completely unwarranted particularly when it comes on the heels of the sweeping tax reform legislation which justified eliminating many tax deductions and credits by significantly lowering marginal tax rates.

Of course, the Budget Committee's proposal should not come as a surprise to anyone who has been listening to the continuous tax proposals made by majority party leaders. Unfortunately, such creative energy is directed at burdening individuals and businesses rather than finding ways to improve the economy which would automatically generate more revenue. As for the defense cuts, it appears you just can't teach an old dog new tricks. You would have thought that everyone had learned that it is not in this Nation's best interest to continually raid the defense budget as was done throughout the 1970's. A process of defense rebuilding and improvement is almost complete, and there is now great hope that defensive systems can be deployed to protect Americans from the thousands of missiles pointed at our country, out cities and our homes. But some are ready to start weakening our security again by not even allowing defense spending to increase with inflation. This will have a human cost as well because its estimated that some 100,000 to 300,000 troops may have to be fired.

I am not saying that we need the defense increases or domestic spending reductions contained in the President's proposal. A responsible counterproposal from Congress is called for because I believe the President's priorities do not adequately reflect my constituent's views. But what we are debating here is clearly not responsible. This is a budget completed behind closed doors without full or meaningful participation from all members of the Budget Committee. It has been written in such an unclear and ambiguous manner that it will prove to be unenforceable by the appropriate committees.

The National Taxpayers Union, an important voice representing over 150,000 taxpayers across the country, says this country is becoming a "North American Brazil," and it urges defeat of the tax increases in the Budget Committee's proposal. The National Federation of Independent Business, speaking on behalf of more than a half million small business owners, urges rejection of the Budget Committee's bill correctly saying that the Federal Government's deficit is a spending problem. Since small businesses have been the true locomotive pulling this economy in the last few years, I believe their views had better be given serious consideration.

As Budget Director Miller has pointed out, excluding Social Security, defense, and interest on the national debt means that 4½ percent worth of cuts out of \$416 billion will have to be enacted to meet the deficit-reduction target for 1988. This is achievable without having to resort to increasing taxes of the magnitude proposed by the Budget Committee. New taxes

would only fuel the spending fire that is now consuming this Congress.

And if Congress can't get its budget house in order, it ought to at least provide the tools to the President necessary to reign in wasteful, unnecessary special interest spending. For example, there is no reason for the recent dilemma over the highway bill to occur again if the President could have line-item veto authority or increased powers to defer and rescind appropriations. Important and necessary legislation should not be forced to carry the extra baggage of "pork barrel" spending. Other budget reforms, such as improving the enforceability of approved budget resolutions, are important to retain discipline. I am disappointed that such reforms are not even being seriously addressed or considered by the majority party.

Mr. Chairman, the first step toward making real, meaningful, and balanced budget choices is to reject this sham budget. I urge my colleagues not to choose to give the generations following us financial instability and a crushing debt burden.

Mr. Chairman, this budget is a sham and I urge its rejection.

Mr. FAZIO. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. WEISS].

Mr. WEISS. I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in support of the fiscal year 1988 budget resolution, and I want to express my sincere commendation, as well as my sympathy, to Chairman GRAY and his Democratic colleagues on the Budget Committee for doing as well as they have in an impossible situation.

Let me say that our Republican colleagues have left me somewhat baffled. Could the President's memory lapse be contagious? Have they forgotten that it was Ronald Reagan who is responsible for adding more than \$1 trillion to the national debt? It was Mr. Reagan who created these huge, annual deficits?

Mr. Chairman, since the passage of the Gramm-Rudman balanced budget law more than a year ago, Congress and the President have relied heavily on bookkeeping gimmickry and trick solutions to create the impression that the Gramm-Rudman deficit targets are being met. Instead of facing up to the real causes and real solutions to our fiscal ills, Congress and the President have misled the public and ourselves by feigning compliance with Gramm-Rudman's arbitrary budget goals.

We are still doing that, but the resolution before us today is far more realistic than the one the President has sent to us. It begins the process of identifying the causes of distress and creating solutions.

The President's version of the budget calls for \$22.4 billion in revenue increases. About half of that amount, \$10.9 billion, would come from the sale of Government assets. This produces a one-time savings but distorts the decisionmaking process and raises the deficit in subsequent years.

The House budget resolution, on the other hand, recognizes that we need more than blue smoke and mirrors to get the Federal deficit under control. It contains no provisions for the sale of Government assets, but calls for \$21.85 billion in revenue increases—slightly less than the Reagan budget. It also keeps military spending under control, and increases spending for key domestic priorities that urgently need additional funding—including \$970 million for research, prevention, and treatment of AIDS.

These are all substantial achievements at a time when the President continues to insist on a budget that is outlandish and unacceptable. However, we all know that the deficit-reduction targets of the Gramm-Rudman law are not being met. The deficit target for fiscal year 1986 was exceeded by \$49 billion. The deficit target for fiscal year 1987 will be exceeded by \$30 billion, according to preliminary estimates. And because it is based on the President's exceedingly unrealistic economic projections, this budget will also exceed the Gramm-Rudman target by at least \$25 billion.

The time has come to stop the deception. If we hope to solve the deficit crisis and restore our Nation to a path of economic growth, there is one important step we must take: we must repeal Gramm-Rudman.

If we adopted CBO's more realistic economic assumptions, rather than the President's, Gramm-Rudman would force us to consider dramatic and highly damaging budget cuts in excess of \$60 billion. This would cripple or eliminate essential Government programs on which we all rely. Moreover, massive budget reductions would plunge our ailing economy into a full-fledged recession. And once a recession begins, Gramm-Rudman would likely prolong and worsen the downturn.

The fundamental flaw of Gramm-Rudman is that it fails to deal with the root causes of the deficit problem. There is ample evidence that the deficit crisis resulted from two fundamental policy changes enacted by the Reagan administration—massive defense spending increases and extravagant tax giveaways to the wealthy.

There can be no solution to the deficit problem until these flawed policies are reversed. We must make a serious effort to reform wasteful Pentagon spending practices. And above all, we must gain additional revenues.

The budget resolution before us today begins to accomplish these es-

sential tasks. But we must go further. If we hope to safeguard our Nation's future, we must repeal the travesty known as Gramm-Rudman. Unless we do, we will, year after year, be active participants in what must end up as the total destruction of the very programs which have made us a compassionate and prosperous nation. On the international scene it will reduce us to the status of a nation capable of destroying the world but of having abdicated the capacity to play a constructive role in world affairs.

We must repeal Gramm-Rudman while there is still time.

□ 1620

Mr. BUECHNER. Mr. Chairman, I yield 5 minutes to the gentleman from Florida [Mr. MACK].

Mr. McDADE. Mr. Chairman, will the gentleman yield?

Mr. MACK. I yield to the gentleman from Pennsylvania.

Mr. McDADE. Mr. Chairman, once again we find ourselves involved in the numbers game as we consider the committee's budget resolution.

Nowhere is the game more apparent than in defense where an obvious effort is made to put a good face on a bad concept.

First, let's look at the way the numbers have been changed.

The President requested budget authority of \$312 billion for the 1988 defense function. The Budget Committee changes this to \$302.7 as the baseline. The President requested \$298.3 billion in outlays. The Budget Committee changes this to \$290.5 in the baseline. Then the budget resolution comes along and claims to have cut \$14 billion in budget authority and \$8.75 billion in outlays, when in fact, those cuts are against the baseline. The President's request would really be cut by \$23.3 billion in budget authority and by \$16.6 billion in outlays.

We can't get there from here.

The budget authority to outlay ratio in defense is about 2½ to 1. The budget resolution ratio is 1.4 to 1.

What does this tell us? It tells us that if we cut budget authority by the required amount and if we do it responsibly, one will reduce outlays by about \$10 billion, not the \$16.6 envisioned in the resolution. Or, if we try to get to the outlay number, we will have to cut about \$38 billion in budget authority, not \$23 as the budget resolution suggests.

If we attempt that, there is no way we can make the necessary reductions in personnel and readiness and remain responsible.

Fortunately, the House is not required under Gramm-Rudman to reach the outlay agreement until we come back from conference. We need only meet the budget authority target.

In the report to the Budget Committee submitted by Appropriations on February 25, 1987, our committee touches on this problem. On page 7 we say:

We must get away from the idea of controlling appropriations, which are budget authority, by outlay limits. Outlays are controlled by the Executive, not by the Con-

gress. Use of outlays to control appropriations just gives the Executive another way to make line item vetoes, and the essential domestic programs that are proposed in the budget to be reduced or terminated would be the first stricken.

I bring this to the attention of the House to forewarn of the possibility the Defense Subcommittee may not be able to responsibly hit both the outlay and budget authority numbers imbedded in the committee's budget resolution. We don't need to hit both just yet and if we try we are going to end up doing some very dumb and damaging things.

For example, we could fire about 25 percent of our military and civilian force, reduce operations and maintenance by about a third, and cancel—to zero—such procurement and R&D programs as: F-14, F-18, C-17, F-15, F-16, Patriot, Aegis Cruiser, DDG-51, small ICBM, V-22, LHX, advance tactical fighter, and SSN-21.

And we would still be about \$4 billion short of the budget resolution goal. We would find ourselves hard pressed to meet both targets in our bill, and we would try to avoid making cuts such as that. But it could be difficult to avoid.

The reason is simple. About 80 percent of all defense outlays for fiscal 1988 are either from prior year appropriations or from pay and allowances. Thus, we have to take 100 percent of our outlay cuts from 20 percent of the outlays.

This amounts to some \$40 billion. To get a cut of \$16.6 billion from the \$40 billion is to suggest we would have to cut so deeply as to place our Nation's security in peril.

Mr. Chairman, if we are forced to take these drastic steps solely for the sake of reaching a number we don't have to reach, I, for one, would not be able to come to the floor to defend a bill that won't defend this country.

We don't write a bill based on CBO revised baselines. We write our bill from the President's request. To cut upwards of \$25 billion from that request will require responsibility and careful trimming. To cut \$38 to \$40 billion would be folly.

I can assure the House we will do our best regardless of the budget authority number we are given. We will find prior year moneys and rescind them. We will impose efficiencies, we will try to come up with a bill that approaches our defense needs.

But I say again, we may or may not hit the outlay targets we will be given. And we need not do so until we come out of conference. We will try, but we may not make it.

We are out of smoke and mirrors. We don't have a foreign currency fund we can draw from. Rather, because of the dollar drop, we may have to put money in. The administration's inflation and fuel estimates may be low this year rather than high. And to top it off, we have numbers in this resolution which don't match.

We will, as I said, do our best regardless of the overall figures, but don't be overly surprised if we don't hit the nonbinding outlay figures, for to do so could well mean we have been completely irresponsible in our work, and the Nation cannot afford that mistake.

Mr. MACK. Mr. Chairman, early this year I observed some rather

strange actions from my colleagues in the Democratic Party. They were a little nervous, twitching, eyes closed, almost closed, pupils dilated. I was wondering what in the world could be wrong with them. Then it dawned on me. I finally figured it out. They were experiencing withdrawal. They are tax addicts. They just cannot get past it. They have to have more revenues. I think we all understand that. They are pleading, they are pleading, "Give us another tax fix so we can reduce the deficit."

Come on, your concern for the deficit is not real. It is a disguise to allow for more Federal spending.

The same Democrats who brought us the liberal welfare state are now moaning over the deficits they themselves caused by voting for more and more massive Federal spending programs. It is as if Typhoid Mary had become an activist for public health.

The antideficit rhetoric from the likes of Speaker WRIGHT is like sharks declaring themselves supporters of water safety.

We all know why you gave us only one page for your budget, with no backup material. We know why you wanted to get it to the floor as quickly as possible. No going around the country to defend your plan.

The reason is, you are scared to death the American people are going to find out what is in that plan. You are really concerned that they are going to find out what it is, and what it is is a return to malaise, and that is what these two charts indicate; increases in tax collections, cuts in defense, increases in Federal spending, more government, more taxes, more spending, back to the old years and tax and tax and spend and spend.

You could not keep yourselves from doing it. The first opportunity where you controlled both Houses of the legislature, the plan that you came out with calls for increases in taxes.

The message delivered by the Democrats and the press to the American people is that the Federal spending machine is coughing and sputtering for lack of tax collections.

Well, let us look at the numbers. On my left here is a chart that indicates the increases in tax collections since 1984. This might be news to most people around the country.

In 1984 there was an increase in tax collections of \$66 billion. Was that enough to satisfy the tax addicts? Oh, no.

The following year, an additional \$66 billion in additional tax collections. Was that enough? Oh, no.

The following year, another \$35 billion, as indicated on the chart, in additional tax collections.

But do you know, those guys could not raise any additional taxes because there was at least someone in the

White House that said there will be no increases in tax collections.

The Senate was controlled by the Republican Party and they knew they could not get it through, so their withdrawal pains were getting worse and worse.

Then finally the day came when they controlled both the Senate and the House. The result of which under their budget is 3 years of increased taxes. They are not satisfied with the natural growth in revenues and tax collections to the Federal Government in 1988 of another \$66 billion—\$66 billion in additional revenues. Would that satisfy them? Oh, no. They have got to add another \$21 billion to it.

Do you know what that amounts to? That is a 32-percent increase in additional tax collections in 1988. Is that enough? No, no. They have to go to \$23 billion the following year, a 37-percent increase.

I just ask the question, when is enough? How much do you have to have to satisfy this addiction for additional tax revenues?

I think the answer is that those who voted over and over and over again for more Federal spending, for more Federal programs, the answer to you, the answer to the American people, the answer to the American taxpayer, is that they are never satisfied. They always have to have more and more revenues.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 1½ minutes to the gentleman from Indiana [Mr. VISCLOSKEY].

Mr. VISCLOSKEY. Mr. Chairman, I rise in strong support of House Concurrent Resolution 93, the first concurrent resolution on the budget for fiscal year 1988. I commend Mr. GRAY and my Democratic colleagues on the House Budget Committee who have diligently persevered in making the difficult decisions necessary to responsibly reduce the Federal deficit. This measure successfully reduces the deficit \$38 billion, \$2 billion more than the target set by the Gramm-Rudman legislation.

The Office of Management and Budget estimates that by the end of 1990 the gross Federal debt will equal 55 percent of the entire gross national product. Last year alone, the Government spent \$15.7 billion paying the interest on the Federal debt, which has grown explosively since the advent of the Reagan administration.

Our immense national debt has led to greater trade deficits, higher interest rates, slower economic growth, and the continued daily erosion of the American standard of living. To curtail these devastating trends, this budget resolution reduces the deficit \$152 billion over the next 3 years.

The committee's proposal successfully integrates necessity with justice, reducing Federal spending and taking a

balanced approach to the ordering of budget priorities. It protects the programs and services which are necessary to help the needy and those in economically depressed areas of the country; continues to provide local communities with the vital resources upon which they rely; and, adjusts priorities to enhance competitiveness and support education.

We have a special obligation in regards to children, senior citizens, the homeless, the ill, and the low-income. We must not fall them as we seek to reduce the growth of spending. This budget maintains funding levels for programs including Low-Income Weatherization, Section 202 Housing for the Elderly and Handicapped, Medicare, Community Health Care for the Needy, and Aid to Families With Dependent Children. It increases funding for the Women, Infants and Children Nutrition Program, Child Welfare Services, and Homeless Assistance.

We have a duty to the local governments which depend on the Federal/city partnership for community and economic development and the maintenance of their infrastructures. The committee's budget rejects cuts in funding for nearly all community and regional development programs, including community development block grants, mass transit and housing, urban development action grants, and the economic development administration.

Finally, we have a responsibility to all citizens to ensure the strength of the American economy by enhancing trade and educating our children for tomorrow. Increases in funding for the research activities of the National Science Foundation will improve long-range competitiveness. The budget for education, training, employment and social services includes increases for Pell grants, grants for math and science teachers, and training for dislocated workers. Vocational education, college work study, and guaranteed student loans would be funded at current levels and receive increases for inflation.

While maintenance of all of these programs is of paramount importance, it is equally vital that we make real progress in reducing the deficit. The committee's budget proposes a deficit-reduction package which achieves \$38.2 billion in deficit reduction. In marked contrast to the administration's reliance on one-time, debilitating sales of financial assets and Federal property to lower its deficit figures, the committee's proposal achieves solid, permanent deficit reduction.

This budget contains fewer revenue increases than the Reagan plan. It reverses the administration's concentration of taxes and user fees on the elderly, poor, and middle class, assigning

to the Committee on Ways and Means the responsibility of finding a progressive, equitable manner in which to raise revenues.

I commend my colleagues on the House Budget Committee for compassionately and realistically setting priorities for reducing spending and raising revenues. While we must bring the Federal deficit under control and maintain an adequate defense for our Nation, we must keep our commitment to the American people and ensure a strong future for our country. The fiscal year 1988 budget resolution prepared by the House Budget Committee is a firm step toward fulfilling this promise.

I urge my colleagues to join me in supporting House Concurrent Resolution 93 as reported by the House Budget Committee.

Mr. BUECHNER. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. FAWELL].

Mr. FAWELL. Mr. Chairman, I am concerned about the only budget which has a chance of passage—the majority's budget—and the budget procedure.

Even if one assumes that the savings in the Budget Committee resolution—\$19.9 billion in revenues and \$17.5 billion in cuts—are real, this budget is not an honest one.

Even putting aside my personal views closely akin to Congressman ROE as to where spending cuts should be made, this budget simply does not tell the truth.

It does not tell the truth when it asserts that the 1988 target of \$108 billion has been reached. The plan uses "rosy" economic assumptions to disguise \$24.9 billion in deficits. This is nothing but smoke and mirrors. To say that the President's budget has the same flaw is no answer for the party which controls both bodies of Congress and has the duty and the power to pass a budget that does not deceive the American people.

This budget doesn't tell the American people the truth about how much must be borrowed in 1988 to reach their claimed deficit. It doesn't say that in 1988 the general fund must borrow \$106 billion from surplus trust funds, including \$36 billion from Social Security in order to reach whatever the "official" deficit will be. It doesn't say that the \$106 billion borrowed from trust funds will have to be repaid with interest along with whatever the general fund deficit may be.

This budget doesn't level with the American people about tax increases. The truth is that in addition to the \$18 billion in tax increases in the budget, Social Security payroll taxes are already scheduled to go up 5.8 percent in 1988 producing \$14 billion in new taxes, all of which will be "borrowed" by the general fund to lower the claimed deficit.

The sponsors of this budget say cuts would be "balanced" between defense and domestic spending. The truth is that domestic spending would rise \$35.3 billion while defense spending would be practically frozen with a \$2 billion increase.

This budget doesn't tell the American people that whatever spending ceilings are expressed in the budget, they can and are easily waived. The budget resolution passed by the majority for 1987 claimed the deficit would be \$137 billion—they missed by at least \$37 billion!

The budget resolution does not tell the people that outdated economic assumptions can be used to make outlays appear less to avoid spending ceilings. An example of this is the supplemental appropriations bill coming soon in which February 1986 economic assumptions are used to make it appear that outlays for 1987 are \$4.5 billion under the spending ceiling when, in fact, outlays are actually \$15 billion over the 1987 budget spending ceilings.

The budget resolution does not recount the games played last October when we were told that the deficit would be \$151 billion for 1987, without having to use surplus taxes from the Tax Reform Act. Two and a half months later we found that the deficit for 1987 was at least \$174 billion even after taking into consideration all surplus taxes from tax reform. And, if history is any guide, this \$174 billion deficit estimate will rise to \$200 billion before this fiscal year is over.

Phony economic assumptions, inaccurate and late appropriations, continuing resolution, smoke and mirrors reconciliation bills, wholesale borrowing from trust fund surpluses, 1 year fixes—these are the ways Congress avoids the rough decisions on budget deficits. Congress will go to any length to conceal how bad the debt and borrowing has become.

Mr. Chairman, this budget document is taking us down the same road we have traveled for the past 3 years. I think it was David Stockman who said if budget procedures were under the jurisdiction of the Securities Exchange Commission, those responsible for creating such a prospectus would be indicted for obfuscation and what they didn't tell their stockholders, the American people. Maybe he was right.

□ 1630

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas [Mr. PICKLE].

Mr. PICKLE. Mr. Chairman, I rise in support of this budget.

PERSONAL EXPLANATION

Mr. Chairman, on Thursday I must be in my district for a long-standing commitment that cannot be changed at this time.

The Board of Regents of the University of Texas will be dedicating a conference center at its Science Park in Smithville in my honor.

This dedication ceremony was set 2 months ago when we did not know there would be a vote on the budget tomorrow. Even though I will be absent from tomorrow's votes, I want to go on record as supporting the budget resolution reported by the House Budget Committee. I would not vote for the President's budget or either of the two other substitutes that have been offered.

Mr. Chairman, the University of Texas Cancer Research Center is becoming one of the world's leading laboratories for the study of cancer causation and prevention. This research center was the vision of Dr. Lee Clark who for many years headed the M.D. Anderson Hospital in Houston and his important work is being carried forward today by Dr. Mickey LeMaistre.

This research center is located in a unique, secluded setting amid towering oak and pine trees and it was designed to bring together scientists from a variety of disciplines.

This recognition this outstanding facility is receiving is a tribute to the University of Texas and it is a great honor to me that this conference center is being named for me.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. FAZIO], a senior member of the committee.

Mr. FAZIO. Mr. Chairman, if I am not incorrect, there is not a member of the working press listening to this debate in the gallery at the moment, and I think that I could speak for most Members in both parties on the floor when I say that this is a rather desultory, verging on boring, debate.

Perhaps the fact is that we are simply out of running room, rhetorically and in reality. This is the most difficult budget that has been put together in the 9 years that I have been here in the House of Representatives. It is difficult because there is no way to satisfy even the most basic requirements that are made upon us by many areas of our society, people concerned about human needs, people concerned about science and research, people concerned about defense. We cannot satisfy any of them, even with mention of that dreaded "t" word, taxes.

We have heard lectures about revenues here today. I would like to make clear once and for all that the administration has \$23 billion of new revenues in their budget. We have \$18 billion. The administration is taxing new homeownership, student loans, Medicare premiums. These are fee increases, but they fall heavily on these targeted elements of our population.

We are selling paper and physical assets worth \$10.3 billion. And yet these are one-time sales. They do not help us in the credit market, because someone has to borrow money in order to purchase them. And certainly they do not help us in the out years, be-

cause these produce revenue, they will not be available to us in the future, and neither will that revenue.

But these one-time sales are supposed to cover the cost of a number of important, in fact in some cases absolutely essential, initiatives that will spend out increasingly over many years. Some are thrust upon us—for example, the need to deal with the AIDS epidemic. Others we would choose to deal with perhaps. I would mention among them science and research centers, space platforms, superconducting super colliders, the strategic defense initiative, hypersonic planes. None of these, I might add, will have a small price tag attached to them. All of them potentially will cost billions if not trillions of dollars over the next 10 years.

Yet we are asked to begin them in this fiscal year by an administration that wants to fund them by the one-time benefits of assets sales.

So I would argue that the Democratic budget is far more candid and honest when it talks about raising a lesser amount of revenues—\$18 billion, not \$23 billion—but a lesser amount that will grow in the out years on the basis of economic growth, so that we can bear up under the burdens of these programs that so many of us on this floor feel are essential to the future of our country.

If we do not want to adopt the philosophy of live today and ignore tomorrow, if we are not happy with \$140 billion a year flowing out to Tokyo to pay people back who have loaned us money to make it possible to make our spending in this fiscal year, if we are interested in what kind of future our grandchildren will have, if we believe that increased revenues should go for deficit reduction—and we have a trust fund for every dime of it—then we should support the Democratic budget initiative.

It is the most candid, honest approach to raising revenues. Every one of us knows that we need them. The time is now.

Mr. Chairman, the budget which we are now considering reflects the diligence, hard work, and consensus of the Budget Committee during a several month long process. What we now have before us is a budget which realistically addresses the deficit problem yet also addresses the vital needs of this Nation.

DEFENSE

I think the committee has balanced the defense concerns of my two Budget Committee colleagues who also sit on Armed Services, Mrs. BOXER and Mr. LEATH of Texas. This budget provides for adequate funding to ensure that all high priority programs, such as military personnel and readiness, continue to receive the resources necessary to defend this Nation. By allowing a \$2 billion growth in outlays to provide for a 3-percent military and civilian pay raise, we help to ensure that our military continues to be a viable volunteer force.

Throughout our deliberations on the budget and our discussions of the deficit problem, it has been made clear that we cannot afford an insatiable defense buildup. Over the last 6 years, we have allowed for massive military increases resulting in an inflation adjusted 40-percent increase in defense outlays. Simply put, we cannot allow defense to continue to grow at this exorbitant rate while ignoring deficits and cutting domestic programs wherever we can to support this growth.

To address all of our Nation's needs and to reduce the sizable deficit of the past several years, we must bring defense spending in balance with domestic spending.

I believe the committee has acted responsibly and the funding levels assumed in the committee plan will allow the Armed Services and Appropriations Committees to adequately develop and fund high priority programs. With careful scrutiny toward procurement and R&D, which have been allowed to grow at extremely fast rates, and better management of defense resources, realistic savings can be achieved.

To those individuals who believe that we went too far in reducing defense spending, our final budget reflects the consensus that any reductions in domestic spending be matched by equal reductions in defense. Had we not worked toward that end and instead abdicated our responsibility by allowing sequestration to take effect, defense outlays would be reduced by \$19 billion from the current fiscal year level. Consequently, we would face catastrophic cuts to both military and civilian personnel and a number of readiness-related accounts.

INTERNATIONAL ASSISTANCE

International assistance, which is also important to our Nation's security, and of particular concern to me as a chairman of the Budget Committee Task Force on Defense and International Affairs, has also received funding to enable us to fully fund our bilateral commitments in the Middle East and maintain assistance to countries where we maintain military bases. However, increased spending for international assistance, as with a variety of other programs, would necessitate additional revenues beyond what the committee has agreed to in the budget resolution. On the other hand, were we to leave the budget to sequestration, our foreign assistance programs would be completely decimated as outlays would be reduced by \$2 billion from the current level and we would be unable to maintain our essential security commitments.

In addition to responsibly addressing our defense and international commitments, the Budget Committee has also carefully considered and balanced domestic spending and revenue increases.

IRS

Although the President continues to decry the need for new taxes, the President's budget includes more than \$22 billion in new taxes and revenues comprising 53 percent of his deficit reduction package for fiscal year 1988. The President's budget includes one such proposal which will provide additional funding for increased Internal Revenue Service personnel to enhance collection efforts to bring increased revenues. According to OMB, increased IRS spending of approximately

\$500 million would yield an unproven and unrealistic figure of \$2.4 billion.

The committee budget, in addition to honestly calling for \$18 billion in new revenues, also provides for an additional funding increment of \$547 million to accommodate increased IRS audit, compliance and investigation efforts. According to CBO's nonpartisan analysis, the plan should increase revenues by \$1.85 billion in 1988 rather than the unrealistic \$2.4 billion figure assumed by the President.

In addition to IRS, a few of the other important domestic programs addressed by the Budget Committee include:

ENERGY

The Budget Committee plan assumes that low-income, high-priority programs, such as the Department of Energy's Low-Income Weatherization Program will be funded at the current level with an inflation adjustment. Additionally, in light of our efforts to increase international competitiveness, the committee plan includes funds for a vigorous DOE Basic Energy Sciences Program and the facilities necessary to support it. Further, a strong national R&D program in energy conservation and a variety of energy resources, including solar, is included and is especially important in light of the fact that since 1981, after inflation, funding for energy R&D programs has been cut 77 percent.

Compared to the President's budget, the committee plan helps to maintain vital programs and more realistically helps to achieve deficit reduction. The administration had planned to eliminate the Low-Income Weatherization Program, which would have resulted in the denial of weatherization assistance to 150,000 low-income homes.

Of equal concern, the President sought a number of energy-related asset sales, which have come to be a mainstay of his unrealistic budgets and for fiscal year 1988, representing \$10.3 billion in so-called revenue.

For example, under the President's budget proposal, such assets as the Federal power marketing administrations and the naval petroleum reserves would be sold. The Budget Committee rejects these proposals. They do not reflect real deficit reduction, especially for future years, and they do not reduce the Government's demand on the credit market. Instead, they merely defer spending until the next year. The committee also rejected the sale of the loan assets of the REA and TVA for these have a detrimental effect as well. Even if we get full value for the loans when they are sold, these loan assets would not reduce the deficit because loan sales simply shift future revenues to the year of the sale.

AGRICULTURE

The Budget Committee plan seeks to protect the programs benefiting most farmers—such as export promotion, pest management, and soil conservation programs—and seeking reforms to tighten up other agriculture programs while at the same time reduce the deficit. Consequently although the committee accepted spending reductions of \$1 billion in fiscal year 1988 to be reconciled by the Agriculture Committee, the resulting changes will be made carefully in order to determine any detrimental effects on farmers.

On the other hand, the President's budget would have cut farm programs by a total of \$24 billion over the next 5 years. Among his proposals, the President would terminate the Direct Farm Ownership Loan Program, reform the CCC Commodity Price Support Program to decrease spending by \$6.7 billion over the next 3 years and phase out crop insurance subsidies. Clearly, cuts of this magnitude would devastate a large number of farmers.

TRANSPORTATION

The committee budget assumes \$3.45 billion more in budget authority and \$900 million more in outlays for transportation programs than the President's budget. The budget also assumes the continuation of current Federal aid highway programs and full accommodation of the recently enacted and overwhelmingly approved highway-transit bill.

On the other hand, the transportation needs of many of our communities would be devastated by the President's plan. For example, President Reagan proposed to reduce mass transit funding to \$1.5 billion in fiscal year 1988, and that's after a 41-percent cut since he came to office in 1981. The President's budget also called for the sale of Amtrak and elimination of its subsidy and major funding reductions in Urban Mass Transportation Administration [UMTA], proposals the Budget Committee wisely rejected.

This year, more than ever, we cannot ignore our mounting budget deficits. We have had to make reductions or freeze important programs because of the deficit problem. But we've also done so in a realistic fashion without resorting to the "smoke and mirrors" approach so apparent in the President's budget.

The committee budget is a straight-forward document which will significantly reduce the deficit by \$38 billion. The committee has realized that the budget has been cut to the very core and if we are to achieve permanent deficit reduction, taxes must be considered. Indeed, the budget takes into account the necessity of new taxes and appropriately calls them taxes, something the President has been unable to do.

We cannot afford to abdicate our responsibility for providing this Congress and the American people a budget and, I think, we have met that goal. We realize that if we are to continue to educate, defend, and provide for the needs of this Nation, and at the same time reduce the deficit so that we don't burden future generations, we will have to pay for these programs now.

I have enclosed an article that more carefully outlines the committee's position that revenues are needed.

[From the New York Times, Apr. 8, 1987]

THE NEED FOR HIGHER TAXES

(By Vic Fazio)

WASHINGTON.—It's time to talk sense about the Federal deficit, even if the prescription doesn't make us feel good. We need to restrain spending but, equally important, we need to raise taxes if we want to cut the deficit and re-establish a firm foundation for the economy.

It took 39 Presidents and 200 years to accumulate a debt of \$1 trillion. But since 1981, the national debt has more than doubled. Interest payments alone have tripled, to a total of \$140 billion a year, and are now the third largest segment of our budget,

ranking only below Social Security and defense expenditures.

It's a tragic waste made even more galling by the fact that we increasingly pay this debt to foreign investors in Tokyo, Hamburg, Geneva and Riyadh who have been bailing us out by buying Federal securities.

Congress's record of fiscal restraint is often overlooked and understated. While spending in general has risen sharply under President Reagan to a record high, Congress has cut domestic programs by \$300 billion since 1981 and finally slowed the relentless growth in defense spending in 1986. Many Americans don't know that Congress has reduced the President's budget requests by more than \$25 billion over the last six years.

But the deficits remain. Slower economic growth and huge tax cuts have caused us to outspend our income.

The President has advocated a constitutional amendment to balance the budget in each of his seven years in office. Yet he has never submitted such a budget and still can't tell us when the books will balance.

President Reagan has also said he opposes taxes, but his own fiscal 1988 budget calls for \$23 billion in new taxes. They are called user fees, asset sales, increased receipts, revenue enhancements and off-setting collections—a crafty use of semantics to make it appear that the President is not contradicting himself.

The most equitable way to substantially reduce the deficit is to delay reductions in the top tax bracket for upper-income taxpayers. But given opposition from the President and key members of Congress to any changes in the new tax code, we are left with Federal excise taxes, a broad-based energy tax, including perhaps an oil import fee, and further closing of tax loopholes. Given these limited options, the resulting nickel and dime approach to the deficit problems falls short.

New taxes are never going to be popular. Antitax rhetoric has won its share of political campaigns, but these are short-term political victories that ultimately hurt the national economy. They don't deserve to be perpetuated and enshrined in public policy. When told the truth, Americans will rise to the challenge and not pass on the debt to their children.

Just look to North Dakota, where the President campaigned last fall for a Republican Senator on Mr. Reagan's traditional anti-government, antitax rhetoric. But just two weeks ago, the people of North Dakota, one of the most economically distressed states, plowed through a snow storm to vote themselves a tax increase.

North Dakotans didn't really want to raise taxes. But they wanted a well-managed government, and they met the need to reduce the state's deficit while insuring sufficient funds to provide a decent education for their children. They believed they were making a sound investment.

The President must join Congress in facing the fiscal facts so that together we can insure economic security. This year he proposed a number of initiatives, including new scientific research centers, a space station and a nuclear particle accelerator. Many of these merit the consideration of Congress, yet the funds to pay for them are nowhere to be found in the President's budget projections.

I think we are ready to listen to concrete proposals to arrest illiteracy, to lower infant death rates and increase our international competitiveness. Americans are prepared to make personal sacrifices to achieve these goals.

Years ago, Ronald Reagan, then Governor, told Californians that his feet were set in concrete on a similar tax issue. Eventually, to bipartisan approval, he announced with his typical good humor: "I think the sound you hear is the concrete cracking around my feet." Our country needs the President to join that spirit of compromise once again.

Mr. BUECHNER. Mr. Chairman, I yield 5 minutes to the gentleman from New Mexico [Mr. LUJAN].

Mr. LUJAN. I thank the gentleman for yielding time to me.

Mr. Chairman, I want to address a particular concern that I have and that is budget category 250. It is the general science, space, and technology. It is the account that we use to fund the scientific research and development in this country.

What has happened to this account is the President had asked for an increase above fiscal year 1987 of \$1.2 billion and that was to accommodate several new initiatives that we have—the space station, the superconducting super collider, increase in the National Science Foundation to fund engineering centers across the country—all of this in response to making America more competitive in the years to come.

Now, because of that \$1.2 billion, we were in pretty good shape. The various subcommittees had reported out or were talking about reporting out an additional \$900 million over and above the \$1.2 that the President was talking about. I was not in favor of that. I thought that that was just a little too much.

Then we came to see what the Budget Committee did, and not only did they reduce that \$900 million added on by the subcommittees, with which I agreed, but they reduced the amount that the President had asked for for increasing, meaning that we are going to do away with the space station, that we are going to do away with a number of other initiatives.

Well, you know, one of the things, the first remark that I heard was "You're eating the seed corn." That is the things that we have to sell in the rest of the world. You shortchange basic research, and the outyears is when you are going to feel it.

Category 250 includes the space station. That is our first step on the road to great new discoveries in space—new materials, new medicines perhaps, colonization, who knows what?

□ 1640

The Soviets are way ahead of us in space station technology, and here we are reducing, reducing that. We are eating the seed corn.

There is money in there for an air space plane, and that is a new generation of airplanes. The President at one time called it the Orient Express, because it could get from here to Tokyo in 2 hours. But in addition to that, it

could take us into space. It is a new generation of airplane, and that is ours. So we are killing the next generation of airplanes, and that is our leading export, our leading commodity where we make more money. So we are eating the seed corn.

Yesterday, today, and tomorrow we are having hearings on this superconducting super collider. Every State, every one of your States—well, 40 States, I should say, not all 50—are there testifying in favor of this project. We have Governors, Congressmen, Senators.

Mr. GRAY of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. LUJAN. I am happy to yield to the gentleman from Pennsylvania.

Mr. GRAY of Pennsylvania. Mr. Chairman, the gentleman has made an eloquent statement in terms of support for the President's request in the area of function 250, space and science. I am just wondering will the gentleman, since he is opposed to this resolution which does make a reduction there, will the gentleman be supporting the President's budget which does exactly what he says?

Mr. LUJAN. The President adds the 1.2 to increase it for the space station.

Mr. GRAY of Pennsylvania. I agree with the gentleman.

Mr. LUJAN. Yes, I will.

Mr. GRAY of Pennsylvania. The gentleman will be supporting the President's budget?

Mr. LUJAN. I will be supporting the President's budget.

Mr. GRAY of Pennsylvania. Which includes the tax and revenues of the President as well?

Mr. LUJAN. This is the one I am particularly interested in.

But let me say this, by cutting all of these, we are, as they say, eating the seed corn. What is in the out years? I do not now, but it just does not bode well for this country.

I have been told, and I do not know, my colleagues know how rumors happen around here, that this is kind of a political game, that some of the members of the committee said, well, this is the President's proposal, and you know the NASA cut is pretty much the amount that there is in the budget, the President's budget for the space station and some of the committee members said, well, the President wants this space station so we will cut it out and then he will be back and he will be the one asking for more money, and we will be kind of the good guys. So I think that is not a very good way to put a budget together.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Mississippi [Mr. ESPY], a member of the committee.

Mr. ESPY. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I also rise in support of the Budget Committee resolution. I represent a small portion of rural America and I am proud of that. And I am an advocate of rural programs and I do not apologize for that.

I am interested in the treatment by this budget as it treats the rural programs in America. As a new Member of the Budget Committee, Mr. Chairman, I approach this process with an open mind. I was untouched by the cynicism which naturally accumulates as a result of years of partisan debate. I tried as best that I could to approach the matter seriously and to look at things factually.

The fact is we have a problem, a tremendous budget deficit that we cannot allow to continue to mortgage our future and our children's future. We have to have a road map to work our way out. The fact is that we only have two road maps before us, the Budget Committee resolution and the President's budget.

How does the President's budget treat rural America? In a word, Mr. Chairman, it would wreak havoc upon rural America, and it would devastate my district, the second District of Mississippi.

The Budget Committee resolution gives \$10.7 billion in budget authority and \$7.2 billion in outlays above the President's figure. It allocates \$43.8 billion in budget authority and \$42.3 billion in outlays for rural programs that I care so much about. If my colleagues look at the specific programs that the President proposes, they will see cuts and reductions and terminations. They will be the phasing out of REA subsidies, the termination of EDA, the termination of the Appalachian Regional Commission, the privatization of private crop insurance, the phasing out of Federal subsidies, the elimination of the ASCS conservation program, the elimination of rural housing loans in favor of housing vouchers, and the termination of the farmers' home direct loans for farm ownership and rural development loans and grants.

Mr. Chairman, that would just very much hurt my district and rural America in general. If you look at the Budget Committee resolution there are major rural programs that ought to be funded at the 1987 level: Farmers home loans, Cooperative Extension Service, Agricultural Research, REA, rural housing, rural development loans, Soil Conservation Service, ASCA conservation programs.

Mr. Chairman, if my colleagues care about this process and care about rural America, the Budget Committee resolution is definitely the way to go.

Mr. BUECHNER. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. KASICH].

Mr. KASICH. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, let me just be short, concise, and to the point. I am disappointed, Chairman GRAY, that after we had SAM NUNN, the very distinguished Senator from Georgia, and one of the most respected defense experts on both sides of the aisle who came out and said, look, America, we need at least a 3-percent real increase in defense spending—this was not Ronald Reagan, this was not DEL LATTI, this was not BILL DICKINSON, this is SAM NUNN. And then it was just a short time later that the House Armed Services Committee commenced hearings to determine what the threat was around the world, and what America had to do to meet that threat.

We had LES ASPIN of the Armed Services Committee, the policy panel, the panel that LES ASPIN himself helped appoint and establish to give him direction, and they came out and said, look, in order to have a strong America and a strong national defense, we must have at least a 3-percent increase in national defense.

I myself, after the \$1 trillion build-up, in fact, endorsed the concept of a defense freeze for 2 years. The only problem is that we did not have a defense freeze for 2 years, we had a 7-percent decline in defense spending over the last 2 years, and this year, under this proposed budget, we are going to have at least a 4-percent negative growth in defense.

We spent the \$1 trillion with bipartisan support. People really, almost all of the philosophies came together and said we needed to do something to reverse the trend of the 1970's in order to provide for a strong America and a strong national defense. What we are doing with 3 consecutive years in cuts in defense spending is going back to the period of the 1970's. It is just that simple.

How are we going to do this, and what are the implications? I read in every publication in the country, and I listen to speeches by people on both sides of the aisle as to why are we not more ready, why is it that our ships do not sail as well as they should, our planes do not fly as well as they can, and pilots do not get the training hours, we do not have the exercises. Why is that? Why is it that we short shrift readiness while the simple fact is, under this budget resolution, we will devastate the readiness of our military forces?

We are not only talking about the markup, we are not even talking about buying more planes or buying more strategic weapons. We are talking about not even being able to do what it is that we have to do with the systems that we currently have. We are

not going to fly our planes as much, we are not going to sail our ships as far. We may even have to start looking at basic force reductions in our Services, and that has serious implications for the world. And, ladies and gentlemen, the simple fact of the matter is that 3 years of defense cuts is absolutely unacceptable.

Unlike our chairman, our distinguished chairman of the Budget Committee, this budget is puny when it comes to defense spending. You are going to have to defend this, and I do not think you will be able to defend it.

Mr. GRAY of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. KASICH. I am glad to yield to the gentleman from Pennsylvania.

Mr. GRAY of Pennsylvania. Mr. Chairman, I would ask the gentleman, a distinguished Member of this body for whom I have the greatest respect, and his knowledge on these issues is very deep.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. KASICH] has expired.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 30 seconds to the gentleman from Ohio [Mr. KASICH].

Mr. KASICH. I yield to the gentleman from Pennsylvania.

Mr. GRAY of Pennsylvania. Mr. Chairman, I would just simply ask the gentleman, as a Member of this body, if he were on our committee and had the opportunity to vote three times to change this number, to raise it, to move it up one time for a \$5 billion increase, another time a \$10 billion increase and another time a \$20 billion increase, how would the gentleman respond? Would the gentleman not express his opinion by voting?

Mr. Chairman, how would the gentleman have reacted in his committee if he had an opportunity to vote on increases on 050 for defense spending?

Mr. KASICH. We probably would have recommended it somewhere over \$300 billion but not much over that, probably somewhere around 1- or 2-percent increase under the budget circumstances. We all know that we need, the gentleman will agree, you have SAM NUNN and LES ASPIN, both of whom you would not call Reagan conservatives, both saying we need to have at least a 3-percent increase. Under this we are getting a 4-percent cut.

Mr. GRAY of Pennsylvania. I thank the gentleman for his comments and for his clarity. He says that he would have voted that way. I am just sorry that his Representatives from his side of the aisle who had three opportunities to increase that function voted "present."

Mr. KASICH. I cannot respond as to why the committee did what it did.

The CHAIRMAN. The time of the gentleman from Ohio has again expired.

Mr. KASICH. Will the gentleman from Missouri yield me additional time?

Mr. BUECHNER. I yield 15 seconds to the gentleman from Ohio.

Mr. KASICH. I thank the gentleman for yielding to someone who is on his side on this debate.

Let me say that DEL LATTI said last night that we are trying to get more for defense and he would like to have a good vote up here, straight up and down on the floor on increasing this defense number, giving us a little larger slice of the pie for national security out of the overall budget.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from California [Mr. PANETTA].

Mr. PANETTA. Mr. Chairman, first of all, as a former Member of the Committee on the Budget, I want to extend my congratulations to the chairman and the members of the committee for what has been a very difficult process.

But what I think they have presented is a realistic, tough, fair and above all a very honest and direct confrontation with the choices that we have to face in dealing with the budget.

This is the 100th Congress, this is the 200th anniversary of our Nation's Constitution. It is probably a pretty good year to start getting honest about what we do on the issue of the deficit. For too long there have been a number of myths that have circulated the whole issue of the deficit, whether it was trickle down, or the fact that you could take it all out of domestic spending or the fact that somehow you could increase defense and not have revenues and be able to deal with the deficit, the fact that we could grow out of it, arbitrary formulas, et cetera. And now we hear about budget process changes, whether we need a line-item veto or a constitutional amendment in order to really fare the issue of the deficit.

The bottom line, however, and I think we all know this, is that budget process changes do not replace guts and the toughness that you need to make the right choices.

Myths do not replace reality. Frankly, the legacy of this administration in dealing with the budget has been the legacy of myths, and that has left us vulnerable on a number of fronts.

I think the time has come to understand that we, the Democrats, in this proposal are taking a gamble. Let us not kid anybody, this is a gamble.

The gamble is that the American people are tired of the promises, they are tired of the failures, they are tired of the myths and cliches. They want some straight talk and want some choices to be made.

This budget resolution and the various other proposals that will be offered will give Members the opportuni-

ty to make those choices. But please, do not do nothing, do not vote against everything and run from the battle. The choices are there to be made for all the Members.

I think, after careful consideration, you will see in the budget resolution the right set of ingredients needed if we are to pass an honest budget resolution.

Let us also, if we are going to be honest about the choices, let us be honest about the implementation of the budget. Let us not kid anybody; implementing this budget resolution will not happen unless the President works with the Congress.

In the House today we are not only going to take a gamble but we are also sending a challenge to the President of the United States to make a choice between whether he is going to play politics on this issue or whether we are going to get serious about the choices that need to be made.

If we fail to get serious, then I think all of us, Democrats and Republicans alike, will pay a heavy price for failing to deal with the deficit issue.

But if at some point we can join to face the tough issues, and Republicans and Democrats can come together not only on the budget but on budget process changes as well, then I think the American people and history will judge the 100th Congress not only as one that was honest with the budget but that was historic in taking the first step toward dealing with the deficit. The first step is adopting the budget resolution presented by the House Budget Committee.

The CHAIRMAN. The Chair states that the gentleman from Pennsylvania [Mr. GRAY] has 35½ minutes remaining, and the gentleman from Missouri [Mr. BUECHNER] has 14½ minutes remaining.

Mr. BUECHNER. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois [Mr. PORTER].

Mr. PORTER. I thank the gentleman for yielding time to me.

Mr. Chairman, a parade of speakers have been here to show what a responsible budget the majority has written. How it provides more money for everything under the Sun.

If you want to increase spending, fine. If you want to raise taxes, fine. But don't tell us that this is a budget that takes the same amount out of defense that it takes out of domestic. This isn't true.

We can't talk the deficit down, Mr. Speaker, and saying that this budget makes real, permanent and substantial cuts in the deficit won't make it so. Because it isn't so.

The so-called domestic cuts in this budget are mostly lies and overly optimistic assumptions.

The spending increases, that are so proudly trumpeted here today, are vastly underestimated.

I am not talking about assuming the rosy scenario—so we can pretend we are meeting Gramm-Rudman.

Beyond the rosy scenario assumed by both the administration's and this budget, are these budgets phony numbers?

Let's take a look at the budget functions and the assumptions that underlie them.

Nobody likes to look at the fine print. The Budget Committee makes a point of not supplying the fine print. But they supply enough to make clear that there are virtually no cuts in this resolution.

I know the budget resolution is supposed to be a blueprint, not a line-by-line plan, and I don't approve of my party not offering an alternative. But that is no excuse for this sad document.

Let's look at this budget.

First there is the defense function. The majority says they take \$8.75 billion out of defense.

But look at the ratio here between appropriations for defense and actual spending. The numbers look funny to me because I think this level of appropriation will result in more actual spending in fiscal year 1988 than is claimed.

So the majority slashes defense, at the same time it misrepresents the savings. This reduction in defense will not save the kind of money the majority wishes it would.

Let's look at function 270, the energy function.

In energy, the majority claims to save \$1.8 billion at the same time it rules out many of the cuts that would be needed.

And this practice—that of assuming large reductions and adding statements that rule out most of the ways of achieving those reductions—is seen in several functions.

Under this function the majority has counted uranium enrichment fees and nuclear regulatory fees at twice the President's rates. Fine, but these are not spending cuts, these are revenues.

The majority rules out doing anything about the ridiculous REA subsidies that are an entrenched throwback to another time in our country's history.

But there is no way you can get almost \$2 billion out of this function without looking at REA subsidies. And there are two ways to deal with the REA. One is to eliminate the subsidy—a subsidy not available to my constituents when they pay their power bills—and to sell off the loans.

The other way, the majority will no doubt do it, is to allow prepayment of loan principle.

Prepayment is actually a write-down—an approach endorsed by the other body's budget chairman. It is worse than an asset sale in terms of its effect on the deficit, and it is a gimmick. It is an accounting trick that creates more problems than it solves and under the assumptions of this budget resolution it seems clear that the majority will be forced to use it.

Then there is function 300, the natural resources and environment budget function.

Here the majority promises to save \$1.7 billion.

But again on closer examination we see that some of those savings are actually revenues—assumed receipts from oil lease audits—and the rest are largely unattainable.

As near as I can tell, the majority has forgotten its recent override of the President's veto of the Clean Water Act.

Has Superfund been budgeted by the committee? Last year, the committee double counted the superfund tax—it appeared as both an offset to spending and as a tax. That is called a double count—it is a magic trick performed by the Budget Committee so that one can equal two and two can equal one.

I can't tell, from the scant documentation supplied with this budget, whether this gimmick has been used again this year. But my hunch is that it has, because that's the only way the \$1.5 billion in assumed savings under this function could be achieved—most real changes are not assumed.

Then we have function 350, the agriculture function.

The committee assumes a \$300 million cut in discretionary programs in this function, something our appropriations committee has never allowed. That cut just won't be accomplished.

Then the majority assumes a billion in savings from farm supports. I say fine, and I suggest that while you're at it, get rid of the ridiculous sugar program.

But the committee won't have to do any such thing. They will use the extra money from the REA loan write-down scam I described earlier to avoid the whole issue.

But perhaps the most vulgar of the fudged numbers is function 400, the transportation function.

Here, the majority, fresh from its override of the President's veto of the highway bill, has the audacity to assume \$850 million in budget reductions from the CBO baseline.

Obviously these savings aren't coming from the highway trust fund, so where are they coming from?

Are we going to slash the Federal Aviation Administration, or end mass transit subsidies? I doubt this will happen.

But never mind. The same people who voted to override the President will today vote for a budget resolution that on paper supports his veto.

Then there is function 500, the education, training and social services function. This function is filled with popular increases in spending.

But again, as in defense, we see that ugly habit of understating the probable deficit effect. A rise of almost \$4 billion in appropriations is expected to result in less than \$400 million in actual spending increases in fiscal year 1988.

The effect of this new spending on the deficit will be much greater.

And I should say, as an aside, that this is why we can't meet the \$108 billion target. It is because we played this same game of understating actual spending in last year's budget. Next year the deficit will remain out of control for the same reason.

Next, I draw your attention to function 600, the income security function.

Under this function we are told that there will be no increases above baseline spending. But most possible cuts have been ruled out and \$550 million in new spending has been added.

On top of that, we are told that welfare reform will be deficit neutral.

Deficit neutral welfare reform means one of two things. Either we raise \$5 billion in revenues—in addition to the taxes already in this budget—to fund it. Or we don't have welfare reform.

Please don't tell this House that welfare reform won't cost anything. Welfare reform is going to cost money and we all know it.

Under Justice programs we are told that everyone gets an inflation increase, no programs will be cut, and we will save \$100 million. You just can't do that. There is no way.

Under function 800 (general government), we have that little joke where we give more money to IRS and count the new revenues from better enforcement on the baseline. Never mind that we always fall way short on our revenue estimates.

And then there is function 920 (allowances) and the "absorbed" Federal workers' pay raise.

"Absorbing" the pay raise means we don't assume the cost, and we save a billion dollars.

We did that last year, too. We assumed it would be absorbed.

But it wasn't absorbed. It was put in the conference report and the rest of it is in the supplemental. And the conference report, I might add, is the farcical caboose that will result from this budget.

If we are going to raise civilian and military pay, is it too much to ask to show the \$1 billion price tag for this decision?

Last but not least, there are the revenues.

And we are told that there are fewer revenues in this budget than in the President's.

But the President's revenues are \$6 billion of excises and tariffs, and the rest are specified asset sales and credit program reforms.

The majority has specifically ruled out these asset sales and credit reforms.

So if the majority will not get its revenues from asset sales, where will they come from?

Will Ways and Means reopen the Tax Reform Act to raise marginal tax rates? To rewrite depreciation schedules? To tax securities transactions?

Will Ways and Means break the promise to let the Tax Code alone?

I doubt that they will. In fact, these revenues will never materialize. Ways and Means won't pass a \$20 billion tax hike—it just won't happen.

In all likelihood we will never have the tax increase envisioned in this budget, we will just have an increase in the deficit, as always.

So when the Budget Committee tells you they have made real substantial cuts in the deficit, they are wrong.

Mr. Chairman, the majority have spared all spending from unpopular cuts.

They have included a huge tax increase that will probably never take place.

They have faked the deficit reductions—at best you have an \$8 billion cut in defense and maybe, a \$1 billion savings in domestics. And with that a shadowy and unsure tax hike of \$20 billion.

In this budget, little is real, little is likely, much is unreal and phony?

The majority sets its policy priorities and then they make the numbers fit the policies—the square pegs of spending are rammed into the round holes of unreal restraint.

Mr. Chairman, that's exactly why we can't get the deficit under control.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. KANJORSKI].

Mr. KANJORSKI. Mr. Chairman, I rise to support the budget. Having listened to some of the debate today I think maybe we have struck the best balance on the budget we can because it seems to satisfy no one.

But I would like to ask some questions just for clarification from the chairman of the Committee on the Budget, the gentleman from Pennsylvania (Mr. GRAY).

Mr. Chairman, would I be correct in concluding that the budget recommended by your committee contains both a lower deficit than the President's proposed budget and lower revenues when asset sales and user fees are taken into account?

Mr. GRAY of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. KANJORSKI. I yield to the chairman.

Mr. GRAY of Pennsylvania. I thank the gentleman for yielding.

Yes; that is correct.

Mr. KANJORSKI. How much lower is the committee's deficit than the President's?

Mr. GRAY of Pennsylvania. \$200 million in fiscal year 1988.

Mr. KANJORSKI. How much less revenue does the budget of the committee contain than the President's when asset sales and user fees are taken into account?

Mr. GRAY of Pennsylvania. \$550 million in fiscal year 1988.

Mr. KANJORSKI. Would I be correct in stating that adoption of this budget resolution by the House, even if adopted unchanged by the Senate, would not, in and of itself, increase the taxes of even one single American taxpayer?

□ 1700

Mr. GRAY of Pennsylvania. That is correct.

Mr. KANJORSKI. Is it not true that only a separate bill reported by the Ways and Means Committee can actually increase taxes?

Mr. GRAY of Pennsylvania. Yes; that is correct.

Mr. KANJORSKI. So it would be inaccurate to describe adoption of this resolution as a tax increase?

Mr. GRAY of Pennsylvania. That is correct.

Mr. KANJORSKI. Anyone who described this resolution as a tax increase would be deceiving the American public, would they not?

Mr. GRAY of Pennsylvania. Yes; that is correct because the resolution does not specify whether the increased revenues would come from higher taxes or other sources, such as user fees, oil tariffs or broadening the base or closing loopholes.

Mr. KANJORSKI. Mr. Chairman, one other question. My district was affected by flooding that accompanied Hurricane Agnes, and the President's budget asks for a 17-percent increase on the premiums for flood insurance.

Am I correct in assuming that the increase that is contained in this budget would not affect structures built prior to 1970?

Mr. GRAY of Pennsylvania. The gentleman from Pennsylvania is again correct. We have adopted the President's proposal with the increase on flood insurance. It does not affect structures built before 1970. Of course, the Committee on Banking, Finance and Urban Affairs will determine how to achieve this in a fair and equitable manner.

Mr. Chairman, I yield 5 minutes to the gentleman from South Carolina [Mr. DERRICK], a member of the com-

mittee and also the chairman on reconciliation.

Mr. DERRICK. Mr. Chairman, I have been on this Committee on the Budget longer than any other Democrat in the House. I will have to say that, with almost 10 years on the Committee on the Budget, this is the best budget that I have seen come forward in a 10-year period.

It is well balanced. We do not use sham to raise additional revenues. We go at it in a very realistic manner. I want to just direct my attention to two particular areas of concern to me, that is, moneys that come out of rural America, the small towns, the farm communities throughout this great country of ours, and indicate to you why I think this is a well-balanced budget proposal.

The President's budget comes down and asks that we do away with all SBA direct loans, that we are running about \$90 million in fiscal year 1987. These are loans that are very important to the small business, the Main Street merchant, the businesses that serve the farm communities throughout this country.

The administration also suggests in their budget that we cut from 90 percent to 70 percent the guarantees on SBA-guaranteed loans. The Committee on the Budget rejects this, and instead, the committee recommended \$100 million reduction in function 370, to be distributed in an equitable and equal manner by the Appropriations Committee.

In the area of our farmers throughout America who are having their most difficult time since the 1930's, foreclosures one after another throughout the district that I represent, the President's budget recommends that we cut over a 3-year period \$8 billion out of the farm programs. We know that this is a time of austerity and a time to cut and the farmers know, like other particular groups throughout this country, that they must make a sacrifice in that particular area. But not \$8 billion.

Our committee cuts about \$4.5 billion over a 4-year period.

By using some compassion; by being equitable, we have come up with an equal reduction in defense spending, an equal reduction in domestic spending, and a combination of equal amounts in new revenues.

As I said to begin with, I have been on this Committee on the Budget for 10 years. This is the best budget that has come from the committee during that time. It is also a particularly unusual year, because as I listened this morning, I heard our minority leader get up and say that it is a shame that we just could not cut defense. Then he cried because we were cutting some of our domestic programs, these big old bad Democrats were doing this bad

thing. My gosh, we were going to put new taxes on the American people.

He does not want to cut the defense budget; he does not want to cut the domestic budget; and he does not want to raise revenues. I would like for someone to tell me, if you do not do one of those three things, how you are going to possibly arrive at a lower deficit figure. It is impossible. We are dreaming.

I go back and I say again, I have been on this Committee on the Budget for 10 years. This is the first time that the minority has not come forward with a budget. I think it is unfortunate, because I think that a lot has been gained by minority budgets over the years.

They may not have passed, but we certainly took them very seriously and it is just really very regrettable that they have seen fit not to come forth with a budget.

Let me see if I have the scenario correct. They do not want to cut domestic spending; they do not want to cut defense spending; they do not want to have any additional revenues; they do not want to vote on the President's budget; they do not want to produce a budget of their own; and they do not want to vote for the Democratic budget.

Mr. Chairman, what is it that you want to do? We Democrats, I guess fortunately for the country, have been given the responsibility of governing in both Houses of this Congress. It is necessary for us to come up with a budget. We have done that, and we have given the minority every opportunity to participate, but they just will not do it.

All I have heard them do, quite frankly, my dear good friends, is to moan and groan for 3 or 4 months, but have made very little, if no contribution.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 2 minutes and 30 seconds to the gentleman from California [Mr. WAXMAN].

Mr. WAXMAN. Mr. Chairman, I rise in support of the committee bill. While it is no secret that I believe that a great deal more funding is needed for health care programs, I recognize that the committee has made great efforts to accommodate these programs. Unlike the President's budget, which offers nothing but bad news for the sick, disabled, and poor of the Nation, the committee bill protects the most vulnerable and allows new initiatives in the most pressing public health issues.

The gentleman from Pennsylvania, the chairman of the committee, is to be commended for the leadership he has shown in shepherding this bill to the floor. I know that he has encountered numerous real and artificially erected barriers to constructing a budget, and I believe that he has sur-

mounted these to produce one that both liberals and conservatives can and should support.

In supporting this bill, I first must say that it has made great progress in addressing the ongoing crisis of acquired immune deficiency syndrome, or AIDS. This epidemic—which began in 1981 and has now claimed the lives of almost 20,000 Americans—presents a great need for resources. The committee bill has recognized that the administration's budget is inadequate to meet this need.

The Public Health Service has estimated that within 4 years, over a quarter of a million Americans will have contracted the disease from existing infections and that the toll will continue relentlessly unless we undertake significant public education efforts. Without a vaccine on the horizon or even an effective treatment for the disease, this education and the basic research programs funded by the bill represent our only hope in slowing the spread of AIDS.

I believe that the committee's bill, while it does not address the significant costs that will be entailed by counseling and testing programs, makes great progress in beginning a serious national response to the disease. The gentlewoman from California, Mrs. BOXER, deserves immense credit for her work on this initiative and in making sure that the Congress continues to address AIDS even while the administration continues to neglect it.

I'm also pleased that the bill provides for a modest increase in Medicaid funding to address infant mortality and the health needs of the elderly poor. The bill will allow us to raise the eligibility levels for pregnant women and infants to the same levels as those used by most States in their WIC programs. This means that working poor women and their babies will be able to get both the nutrition and the health care that they need to assure that the babies survive.

The bill will also allow us to create some protections for the low-income elderly against catastrophic expenses—protections that are necessary to supplement a Medicare catastrophic program. If it is to be responsive to the needs of elderly and disabled people of modest means. Such protections would include reducing the financial burden on the elderly when their spouses enter nursing homes, improving the quality of care for Medicaid patients in nursing homes, and making prescription drug coverage available to the near-poor.

I regret that the bill calls for substantial savings in the Medicare Program. I know the committee worked hard to consult with interested parties and to keep these savings at a minimum. I also appreciate the fact that the committee again, as it has for sev-

eral successive years, called for these savings to be achieved without reducing benefits or increasing the cost-sharing burdens on the elderly and disabled.

It is my understanding that the committee expects most of these savings to be achieved through careful reductions in payments for hospital services, and that this can be done in a manner that does not undermine the ability of rural hospitals, and those hospitals serving a disproportionate share of low-income patients, to provide quality care.

Finally, the bill does protect a number of small discretionary programs—ranging from childhood immunizations to Indian health—which target important health and public health services to the poor. The bill also protects the important basic biomedical research programs of the National Institutes of Health.

In closing, I would again commend the chairman and the members of the committee for a balanced and thoughtful bill, and I would urge my colleagues to support it.

□ 1710

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Delaware [Mr. CARPER].

Mr. CARPER. Mr. Chairman, I plan to support the budget as proposed by the Budget Committee. I would not argue that it is perfect. I do suggest that it is more reflective of the priorities of the American people than any of the other budgets proposals we are likely to consider tomorrow, including the President's budget.

As we have heard today, the President's budget has its share of critics. I would observe, however, that the President's budget has an element of balance between budget cuts and new revenues, roughly 50-50. I think that is an appropriate approach.

On the other hand, I find objectionable the President's methods of forecasting revenues. They are just not sound, and I think it is unfortunate that we appear to have bought off on the unrealistic revenue estimates the President uses in his budget.

I would hope that at some point in the future we would begin to work more closely with the administration from the beginning of the budget process, and do so by starting with realistic revenue numbers.

Second, I would observe that the President's spending cuts in defense and domestic programs are not well balanced. He makes no pretense of trying to balance those spending cuts, and I think that is unfortunate.

Third, the President calls for raising revenues largely by selling assets. The unfortunate consequence of those asset sales is that we make the deficits

larger in the outyears and pretend that we are making the deficits smaller in the short term. Moreover, many of those asset sales are short sighted. For example, I think the notion of selling Amtrak as the President proposes is ludicrous. The President says, "Let's sell it for \$1 billion."

We just sold Conrail, a profitable freight railroad, for less than \$2 billion. The idea of now selling Amtrak for \$1 billion, a railroad that is losing hundreds of millions of dollars a year, simply makes no sense. The President ignores the fact that we would end up paying the enormous amount of between \$1 to \$2 billion in labor contract costs as a result of selling that railroad.

Mr. Chairman, my preference would be for a budget that uses realistic revenue estimates. My preference would be to reach the Gramm-Rudman target range of \$108 billion to \$118 billion. My preference would be to put a little more of the emphasis on spending reductions and spending restraint. My preference would be to put entitlements on the table more than we do under this budget. But those options are not before us today.

My hope is that when all the dust clears after today and tomorrow, the Members on the Republican side of the aisle and those of us on the Democratic side of the aisle who are interested in some true budgetary reform—whether it is a constitutional fix of Gramm-Rudman or whether it is to strengthen the President's rescission powers, can get together and work to enact those reforms.

Mr. Chairman, I thank the gentleman for yielding this time to me.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin [Mr. MOODY].

Mr. MOODY. Mr. Chairman, I rise in very strong support of this budget. In fact, I am quite amazed at what a good job has been done by the committee.

First of all, the bill is balanced between revenues on the one hand and cuts on the other. It is \$18 billion in cuts and \$18 billion in revenues, and that is fair, I think. The cuts themselves are balanced equally between domestic and military—\$8.75 billion each. I think that is very fair and appropriate.

Let me focus for a second on some things that I think have not been adequately touched on so far. Most particularly, let me point out that with regard to the spending in this budget, once we disallow the asset sales and some of the other gimmicks, the real permanent spending is actually lower in this budget than it is in the President's budget. The President would spend more than the Gray budget would once we disallow the one-shot gimmicks and the asset sales.

Real permanent spending under the President's budget would be \$1,044 billion. Real permanent spending under the Budget Committee's product would be only \$1,040 billion. That is a real difference, and it shows that this committee has taken the spending cut mandate extremely seriously, which many felt it would never do. But it has done so.

On the revenue side, I think it is very important to note that this committee has made the large, tough decisions of looking for real revenues and not phony one-shot revenues that only put us deeper in the hole next year. The President's revenue increases appear to be more than the committee's revenue increases, but they are not real revenue increases. The President's disappear; they evaporate after 12 months, and that only puts us in a worse spot. In fact, they are equivalent to just printing bonds per se, because, they give us a little money now but put us in a deeper hole later. They are precisely equivalent to asset paper sales. Paper sales of assets are the same as bond sales. Paper asset sales are precisely equivalent to printing more bonds and selling them.

That should not be considered real deficit reduction any more than printing bonds and selling them should be considered real deficit reduction. It is merely a way of financing the overage of spending versus revenues.

So when we look at the revenue picture, the Budget Committee has produced less revenue, but it is real revenue, and that is reflective of the honesty with which this committee has dealt with the public. I think the chairman and the members of the committee are to be commended for that.

Mr. Chairman, I strongly support this package.

Mr. LATTA. Mr. Chairman, I yield 4 minutes and 30 seconds to the gentleman from New Jersey [Mr. COURTER].

Mr. COURTER. Mr. Chairman, I thank the distinguished vice chairman of the Budget Committee for yielding me this time.

During the debate I have had a chance to speak with people in the hallways and with some Members who have just spoken, and some are suggesting that the Soviet Union has really changed, that they are now much different than they were a couple of years ago, that in the spirit of glasnost the intent and the character of the Soviet Union is quite different now than it was just a couple of years ago.

During the past week or 2 weeks or 3 weeks, there has been a revelation which should not be of surprise to our State Department, but apparently it is; I do not think it is a surprise to Members of this body, the House of Representatives. The Soviet Union has penetrated and compromised the in-

tegrity of the United States embassy inside the Soviet Union. They have not only penetrated our Embassy inside the Soviet Union, planting bugs and other types of electronic devices so that we cannot carry on a conversation inside our Embassy, they have, according to open reports—and we cannot talk about briefings behind closed doors—according to open reports, they have done the same thing with respect to our new Embassy.

All the same, Mikhail Gorbachev this morning, when I was listening to CNN News, was stating, first, that there is no evidence that the Soviet Union has compromised the integrity of our new Embassy inside the Soviet Union, and that in fact it is not so that they have compromised the integrity of our Embassy inside the Soviet Union, when we know it is so and we know there is evidence to prove it. Mikhail Gorbachev, the leader of the Soviet Union, the person who is talking about a new time, a new Soviet Union, a more liberal Soviet Union, with glasnost, looked the world in the eye and was simply lying to us.

Therefore, I believe that the defense budget, the budget that guarantees our integrity, guarantees our borders, and guarantees the security of this country and our freedoms, is not just another line item in this budget. It is not just another priority; it is not just another budget option. It is precisely the line item that gives us the options, that gives us the opportunity to decide whether we want to sell Amtrak or keep it, whether we want to privatize one sector of the economy or make it public.

It is important during this debate—and I am not sure whether too many Members have mentioned this—to recognize that during the 1970's the defense budget of this country was cut 7 out of 10 years in real terms. At the end of the 1970's, in real terms, it was less than it was at the beginning of the 1970's. Then there was a period of 3 or 4 years of expansion and modernization, and then 2 years ago, as far as budgets are concerned, in 1986 this organization, the House of Representatives, cut in real terms again the defense budget by 4.2 percent.

For 1987, the very fiscal year in which we are operating now, there was another compounded cut over 1986 by an additional 4.25 percent. Now this particular budget cuts it again over 1987 and over 1986, again in real terms, by 3 or 4 percent.

□ 1720

We cannot afford that. The Soviet Union at the present time spends dramatically more than we on national security. They have, and everybody in this organization knows it, they have the world's only deployed antisatellite system. They have deployed a ballistic

missile defense system around Moscow where we have none; we remain denuded from active defenses. They have mature and robust civil defense systems and we have none; we wiped ours out 25 years ago. They have a robust air defense system and we have none.

All I am suggesting is the fact that when we deal with the defense function in this budget, we look at Soviet capabilities because we are not spending in a vacuum. We are spending exactly what we have to preserve our sacred security.

I rise against the Democratic budget because it is not realistic with respect to the threat that we face today.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 4 minutes to the gentleman from Michigan [Mr. WOLPE].

Mr. WOLPE. I thank the gentleman for yielding me this time.

Mr. Chairman, there exists no shortage of good and compelling reasons to adopt the house Budget Committee's resolution. It achieves greater spending reduction and greater deficit reduction than the President's alternative. It spreads the burden of painful but essential spending reductions much more fairly than the President's proposal. It places less reliance on revenues than does the President's budget, and all the revenue is committed not to new spending but to deficit reduction. And, also of importance, it puts an end to 7 long and painful years of shortchanging local economic development and job creation programs.

I think we all realize that true economic strength begins at home. Ultimately, the strength of our national economy depends upon the economic vitality of our communities—upon their ability to grow, and to build, and to generate opportunity. But the President's budget ignores that reality.

In each of the last 7 years, the Reagan administration's budget proposals have shortchanged our Nation's commitment to community development and job creation. In fiscal year 1981, community development spending authority was \$10 billion. But today, 7 years after the White House launched its relentless campaign to do away with intergovernmental partnerships, community development spending has been slashed by 39 percent. And in fiscal year 1988, the President's budget continues that assault by cutting community development funding an additional 16 percent.

Every Federal economic development tool available to local governments would be affected. The Economic Development Administration would be eliminated. Community development block grants would be phased out. And the Urban Development Action Grant Program would be terminated.

This is economic foolishness. These are effective programs.

Take, for example, the Urban Development Action Grants Program. Since its creation in 1978, UDAGS have assisted nearly 2,600 development projects in more than 1,100 cities. According to the Department of Housing and Urban Development, \$4.1 billion in UDAG resources has created nearly 540,000 new permanent jobs. The UDAG Program has helped retain 111,000 old jobs. It has generated 450,000 construction jobs. It has leveraged more than \$25.4 billion in private investment. It has increased local tax revenues by \$600 million annually. And it has built more than 105,000 units of rehabilitated or newly constructed low-income housing.

The House Budget Committee resolution demonstrates that you can in fact achieve meaningful deficit reduction without eliminating the few Federal economic development tools that are still available to create real economic opportunity in distressed communities. The Budget Committee resolution for fiscal year 1988 funds all community and regional development programs—including the Urban Development Action Grant Program and the Community Development Block Grant Program—at last year's levels.

Mr. Chairman, I said before that there were many good reasons to support the House Budget Committee resolution. The treatment of community development funding in that budget is yet another compelling reason for this House to endorse it.

Mr. LATTA. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. DREIER].

Mr. DREIER of California. I thank the gentleman for yielding to me.

Mr. Chairman, this is an unpalatable budget. It has three points which we must eliminate. The synthetic deficit target, multiyear defense cutbacks, and a healthy tax increase. We cannot take it; the American people cannot take it.

Mr. Chairman, this budget should be dubbed the *deja vu* budget. It brings back memories of things we haven't seen in years: a synthetic deficit target, multiyear defense cutbacks, and even a healthy tax increase. When the public realizes that these are the three pillars on which this house of cards is built, I believe the President's budget will shine by comparison.

HITTING THE TARGET

The last time we were talking about deficits as low as \$108 billion was 1983. That year, when your party took credit for reasserting control over the budget in this body, we passed a first budget resolution with a projected deficit of \$103 billion.

But the deficit that year ended up closer to \$196 billion. So we did away with the two-resolution process, admitting that the first resolution under the old process usually wasn't worth the paper it was written on.

But the resolution presented by the Budget Committee members from your party, with its deficit projection the lowest since 1983, looks suspiciously like one of the old first resolutions. The chairman said himself only 2 weeks ago that he didn't believe the \$108 billion deficit target could be met. Based on the budget he is presenting, I must agree. In fact, this budget may not come any closer to its target than the folly of 1983 did.

The chairman's budget claims a modest \$17 billion in cuts, to be divided equally between defense and domestic spending. But the chairman calls for less than \$4 billion of that to come through reconciliation, with the rest to be left to the appropriations process. Meanwhile, this budget assumes a reconciliation tax hike of \$17 billion, over four times the spending cuts from reconciliation.

What a contradiction: Reconciliation, our best cutting tool, is being used to raise revenue. The appropriations process, our best spending tool, is being used to cut spending. For us to come up with only \$4 billion in reconciliation cuts, while missing the Gramm-Rudman target as we are sure to do, is disgraceful.

SPENDING PRIORITIES

Furthermore, the chairman's budget envisions sweeping cuts in our national security spending not seen since the post-Vietnam gutting of our Nation's strategic capabilities. In fact, the 3-year \$51 billion cut in budget authority projected by the chairman's budget would bring about 5 straight years of real cuts in defense.

The magnitude of the cut is bad enough, but how it would be applied is even worse. The chairman's budget assumes cuts would be made proportionally in all defense titles, which would be tantamount to creating a mini-*Gramm-Rudman*, across-the-board cut for defense only. In other words, this budget would make no distinctions between defense dollars spent frugally or wastefully, and would treat personnel, procurement, and R&D all the same.

This is the same meat-cleaver approach to budgeting that the chairman opposes for the general budget. Why would it be acceptable for defense alone? For years, we have been attempting to pare the waste in the Pentagon without chopping up important components of our capability. But by mandating blind cuts, we end up penalizing the well-run Pentagon programs, and perpetuating the wasteful ones.

Mr. Chairman, your party appears confident that the public will accept the spending priorities and tax increases of the *deja vu* budget, but I disagree. Nor does the public believe the oft-repeated excuse that we are running out of things to cut, because it is not true. Set-aside interest on the debt, which we can't touch, and Social Security and defense, which we shouldn't. The President proposes to cut what remains by 4 percent. Is that really unreasonable? His budget director tells us that, of all the times he has asked that question of audiences, he has yet to find anyone who thought we shouldn't be able to find those savings.

If the defense cuts, new spending programs, and bigger tax bills in this budget begin to give taxpayers an uneasy sense of *deja vu* for the late 1979's, one can't blame

them. And if they show the same frustration with those priorities next year at the polls as they did in 1980. I won't blame them for that either.

Mr. LATTA. Mr. Chairman, I yield 4 minutes to the gentleman from Alabama [Mr. DICKINSON].

Mr. DICKINSON. I thank the gentleman for yielding me this time.

Mr. Chairman, I am very concerned over the budget process as we go through it this year. I have been participating in it now for the years that it has been in place, and each year it gets more difficult it seems, and I think each year it presents more problems to us than it solves on the House floor.

Each year we have more processes to go through to arrive at a figure. Each year it is more difficult for us on the authorizing committee to come up with what we consider a fair and equitable defense budget for this great country of ours. This year is certainly no exception.

We have just finished marking up the Defense authorization bill for this year. Just 30 minutes ago. We have been working at it now since the Congress met earlier in February and we have done a pretty good job I think.

The administration came over and asked for \$312 billion. This is a great deal of money, and we recognize that all of the money would not be authorized that they had asked for but we felt it was a fair proportion of our national wealth to assure to the American people the very rights that we hold so dear. Because, after all, the things that we are interested in, the things that we fight for, the right of freedom of assembly, of speech, the right to be left alone to educate our children, all these things are protected for us by our ability to defend ourselves. The first and foremost thing we have got to do as Americans is defend ourselves.

We do not want more than is necessary, but we cannot afford less than is necessary. So it is our job on the committee to decide what is necessary; what is the threat? So we met and we have a policy committee on the Armed Services Committee and in the absence of a budget resolution per se, we determine that it is our job not to come up with a budget and not to appropriate the money which may or may not be there. We determined it was our job to determine what is the threat and to let the American people know what the threat is and to mark our bill to meet the threat.

We had a series of meetings, a series of hearings, a series of witnesses; top drawer witnesses from the highest levels of our defense establishment. Without an exception, they came in in support of at least what had been requested by this administration; \$312 billion.

As a pragmatic thing we realized that we could not get this passed. We realized that there were, we felt, some fat in the request. So by action of our committee that was concluded as I said about 30 minutes ago, we reduced the authorization from \$312 to approximately \$305 billion, knowing that if the Budget Committee acted before we got to the floor with our bill we would have to go back and scale down.

The things that bothers, and I think the thing that bothers a majority of the members of our Defense Authorization Committee, is that we are not meeting the needs of this country.

□ 1730

In the past 2 years we had a combination of about a 7-percent negative growth.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. LATTA. Mr. Chairman, I yield 1 additional minute to the gentleman from Alabama [Mr. DICKINSON].

Mr. DICKINSON. Mr. Chairman, in conclusion let me say that what we have marked to is a reasonable figure. It is based on our need as a perceived threat. We can reduce it more, but it is not fair on a budget which is about 28 to 29 percent of the total Federal budget to say that half of all the economies should come out of defense. It is not fair. It is not equitable and it is not good sense. We must defend this country and we are not asking for too much.

Mr. LATTA. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. I am very pleased to yield to the gentleman from Ohio.

Mr. LATTA. Mr. Chairman, the gentleman has indicated to the House that the gentleman's committee, a bipartisan committee, came up with a figure just 30 minutes ago of \$305 billion and that compares with what is in this budget, the Gray budget, of \$281 billion; is that correct?

Mr. DICKINSON. That is correct. There is still some \$8 billion that will be compelled to be cut. We are cutting end strength when we do that. If there is going to be a spend-out this year, we have to cut our readiness. I will tell you, it is getting precarious, because this will be the third year of negative growth and we are going to wind up with a horrible situation.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield such time as he may consume to the gentleman from New York [Mr. SCHEUER].

Mr. SCHEUER. Mr. Chairman, I rise in reluctant support of House Concurrent Resolution 93. I regret the fact that it achieves a salutatory step forward toward balancing the budget, but at a painful cost in terms of our caring for our environment and our resources.

All of us are acutely aware of the need to restrain spending and bring the deficit under control.

But we should at least be clear of the price we are asking the American public to pay.

The budget resolution calls for a 13-percent cut in budget authority for the natural resources function, which includes funding for the Environmental Protection Agency.

Indeed, the resolution is 1.7-percent less than the President's own request—a President who vetoes the Water Quality Renewal Act, who fights Congress on the Superfund reauthorization, who appoints Anne Burford to head the EPA, and who opposes acid rain controls.

Under this administration, support for environmental programs has been seriously eroded.

For example, EPA's operating budget, adjusted for inflation, has plummeted almost one-fifth since the beginning of the Reagan administration.

At the same time, Congress has continued to increase EPA's responsibilities, passing major new laws addressing drinking water, Superfund, hazardous waste, asbestos, and clean water.

In addition, new environmental concerns are emerging, such as radon, indoor air pollution, depletion of the stratospheric ozone layer, global warming, and biotechnology.

Do we really expect EPA to do more work with less resources? It is only in architecture—if then—where "less is more."

The sad reality is that we are dooming our environmental protection programs to failure.

Of course, the public is concerned about the deficit. But they are also concerned about the environmental quality of the world they will leave to their children.

A recent poll showed that two-thirds of the people agreed with the statement that "protecting the environment is so important that requirements and standards cannot be too high, and continuing environmental improvements must be made regardless of cost."

This result, in the sixth year of the Reagan revolution, is all the more remarkable because more people agree with that statement now than at the beginning of the Reagan administration—up from 45 percent.

I regret that the budget resolution does a disservice to the great public will and the great public need to protect our Nation's environment and public health.

We should not deceive ourselves and the American public that this budget is sufficient to get the job done.

One consolation. Former EPA Administrator Anne Burford would not be remotely justified in labeling any Member who votes for this bill—"tree hugger."

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from New York [Mr. GUARINI], a member of the Budget Committee.

Mr. GUARINI. Mr. Chairman, I want to congratulate our chairman, the gentleman from Pennsylvania [Mr. GRAY] for his evenhandedness and for the committee for their splendid work.

I have sat and listened through all this debate and everything that has been said about the budget process not

working. Certainly it is good politics and good theater, casting blame, pointing the finger, using slogans and code words; but in the 5 hours that I have heard the debate, there was not one word said about some of our salient and most important issues. I never heard the words, "The betterment of the senior citizens."

I never heard anything about drugs. There are many issues involved which are national priorities that are of great concern to us that are not covered adequately in this budget.

If the opposition is not interested in these particular issues, bringing them into the debate or voting for the budget resolution, I ask them then, where are their priorities?

Last year we passed an omnibus drug bill calling for \$4 billion, which included funds for expanded international narcotics control efforts, enhanced drug interdiction operations, and strengthening Federal drug law enforcement, and also to put a particular emphasis into education, both in our elementary schools and our high schools. Much was cut out of this. There was \$950 million eliminated under the President's budget proposal and \$225 million was eliminated from the money that would go to State and local governments for law enforcement interdiction and for equipment. We are now going far below as far as equipment and interdiction is concerned the 1981 levels, where drugs are cheaper, more pure and more available on our streets today than they have ever been.

The President's budget does not provide any additional funds for expanded treatment, prevention and drug abuse research initiatives, despite the growing need that we have in our Nation today.

I would also like to talk about Social Security. Approximately 39 million Americans depend on Social Security benefits. A nation is judged by the way it treats its old people, its sick and its children. I think that here today we have got a Social Security assurance by the budget of giving 4.1 percent of a cost-of-living increase, which would certainly take many of these people near the poverty level, because there are too many of our citizens, 35 percent of our senior citizens across America who are living under the poverty level. If you care about our senior citizens and you care about our disabled workers and their families and you care about surviving spouses and their minor children, if you care about carrying out the commitment that was made in the war against drugs, then vote indeed for this resolution.

Mr. GRAY of Pennsylvania. Mr. Chairman, we have no further requests for time. Therefore, it would be appropriate for the minority to proceed at this time with their closing debate and we will follow.

Mr. LATTA. Mr. Chairman, we have one more speaker. I yield 2 minutes to the honorable gentleman from California [Mr. HUNTER].

Mr. DREIER of California. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I am happy to yield to the gentleman from California.

Mr. DREIER of California. Mr. Chairman, I thank the gentleman for yielding. The gentleman is a distinguished member of the Armed Services Committee. I wonder if the gentleman would care to inform the Members of the House what his committee chairman thinks of this budget which has been submitted here.

Mr. HUNTER. Let me reply to that very important question. The chairman of the Armed Services Committee convened a special policy committee to derive the numbers for the defense of this Nation, not from what President Reagan submitted, but from the requirements. We brought in witnesses. We had testimony on what the situation is in the Middle East, what the requirements are for sealift, for airlift, for troops in Europe, for air defense, for every dimension of national defense.

At the end of this particular procedure, after convening this committee and after having these witnesses, a majority of the committee, bipartisan, Republicans and Democrats, came to the conclusion that the President's numbers were necessary to provide for an adequate defense.

I give great commendation to the chairman of the Armed Services committee, who himself said that the President's numbers of a 3-percent real increase in growth were necessary for the defense of America.

Let me go on to say very simply that the first duty of this Congress is to provide for the common defense.

There are three areas that are going to be gutted by the Democrats budget. One of them is people. We are going to lose between 100,000 and 300,000 people because of the cuts.

The second is readiness. We have moved our full combat capability of our fighter aircraft up to 60 percent greater than they were under Jimmy Carter. That figure is going to go back down to the old Carter days.

The last one is equipment. Right now in seapower, for example, the Soviets outnumber us by 3 to 1 in attack submarines and they are closing the qualitative gap. Their submarines are now almost as good as ours, and in the minds of some experts, better. Our submarines, our new version is going to cost a billion dollars a copy. The Soviets are dropping a submarine in the water every 38 days.

The Democrat budget guts national defense and that is the consensus of the experts on the Armed Services Committee.

Mr. RODINO. Mr. Chairman, I rise in support of House Concurrent Resolution 93, the budget resolution for fiscal year 1988, and I want to commend Chairman GRAY and his Budget Committee members for developing a balanced and realistic budget. Given the harsh constraints imposed by the Gramm-Rudman process, and the unwise and disheartening proposals in the administration's budget proposal, I believe the Budget Committee's proposal is a singular achievement.

The resolution before us specifies a fiscal year 1988 deficit of \$107.6 billion, which is actually below the Gramm-Rudman limit of \$108 billion. This is accomplished by revenue increases through legislation and better enforcement and debt service savings; and by \$17.5 billion cuts in spending, to be equally divided between defense and domestic programs.

As one who has strongly opposed this administration's extravagant and unnecessary defense proposals, it is important to note that even after the reductions in the budget resolution fiscal year 1988 appropriations will be only \$0.9 billion below this year's level, and, in fact, outlays will be \$2.1 billion above the current level due to use of previously appropriated funds, assuring a sound but prudent national security policy.

The Budget Committee exercised great wisdom and judgment in dealing with cuts in domestic programs, for it has exempted from a freeze vital programs such as Social Security, Aid to Families with Dependent Children, Food Stamps, subsidized housing and child nutrition. It also provides for increased spending above inflation for critical programs such as Medicaid, job training, social services, and education.

Under the resolution our senior citizens are protected, for the full Social Security cost-of-living increase will be paid next January. Full COLA's are also assured for Federal civilian and military retirees and for railroad retirees.

I am very heartened by the Budget Committee's action on education programs. The resolution provides a minimum of an inflation increase plus a share of the \$2.2 billion included for priority increases above inflation for selected education programs. This is particularly significant when we realize that despite the knowledge that the education of our children is at risk, the President's budget proposed a 28-percent cut in education programs.

Chapter I compensatory education funding is increased above inflation, which will increase the number of children served. Pell grants also receive an increase above inflation, as opposed to the President's proposal to cut these grants by 29 percent, which would result in 1 million fewer students receiving them. These two programs alone will aid the children and young people most vulnerable and in need of assistance.

The resolution includes \$850 million in additional fiscal year 1988 funding for high-priority health programs, including Medicaid expansions to address infant mortality and the health needs of the poor; expanded AIDS prevention, treatment and research programs; and health care for the homeless.

Another area of great concern is the category of training and social services, and here

again the committee has provided increases to compensate for inflation, plus high-priority funds for job training programs aimed at improving trade and competitiveness, the Social Services Block Grant, child welfare services, handicapped education, and in-home services for the elderly. For example, the resolution includes an increase of \$100 million over inflation for the Women, Infants, and Children Nutrition Program. It also provides \$450 million for assistance to the homeless.

Last year we made a major commitment to the American people with enactment of the Anti-Drug Abuse Act, yet the President's budget proposal would cut approximately \$950 million from Federal antidrug programs in all functions of the budget. By contrast, the Budget Committee's resolution will fulfill this commitment by providing funding for Federal drug law enforcement programs with increases for inflation and by assuring continuance of law enforcement grants to States and localities.

Obviously, this budget resolution is not ideal, and I would wish we could provide more funding in many areas, such as the critical programs I have mentioned. However, fiscal realities preclude this, and I urge support for our Budget Committee's resolution.

Mr. RAHALL. Mr. Chairman, on February 11, 1987, I submitted testimony to the House Committee on the Budget with regard to the administration's fiscal year 1988 budget proposals. The President's budget proposed drastic domestic spending cuts, hidden revenues, and asset sales so that funding for pet defense projects could be increased while the administration claimed deficit reduction. As a representative of the people of southern West Virginia, I found the priorities of the President's budget skewed and the attempt at deficit reduction less than adequate.

The budget resolution we are debating today is a more fair and effective approach to fiscal management and deficit reduction. This resolution—working with the same economic assumptions the administration used—evenly distributes spending cuts between defense and domestic programs. The resolution also has a greater impact on future deficit reduction efforts by including—what the distinguished chairman has deemed—"real, permanent substantial reductions" instead of relying on one-time savings which would be realized by the asset sales proposed by the administration.

Most importantly, however, is that this resolution does not abandon the priorities set by this Nation. First, the resolution specifies a fiscal year 1988 deficit of \$107.6 billion—just under the Gramm-Rudman limit of \$108 billion and also under the \$107.8 billion deficit proposed by President Reagan. Second, the budget cuts in this resolution are distributed equally between defense and domestic programs. And third, the domestic funding proposals take into consideration our national goals and priorities.

The resolution assumes that appropriations for most discretionary programs would be frozen at the fiscal year 1987 level. Certain high priority programs, however, will be exempted from this freeze, and will receive at least a full inflation adjustment. Programs which would receive an increase to cover in-

flation include all the discretionary programs in the Employment, Training, and Social Services and the Income Security functions, as well as veterans programs; vocational education; child nutrition programs, including school breakfast and school lunch programs; maternal and child health; community health centers; family planning; immunizations and vaccines; health education for the disadvantaged; the Legal Services Corporation; and, low-income weatherization programs.

With the exception of Medicare and farm programs, entitlement programs are assumed to receive the full amounts required to provide the benefits specified by current law, including all scheduled cost-of-living adjustments including those to Social Security, black lung, and veterans' pension and compensation recipients. Programs in this category include Social Security and other retirement programs; Aid to Families with Dependent Children [AFDC]; Food Stamps; Supplemental Security Income [SSI]; and Medicaid, which would receive a small additional increase.

The budget resolution includes an increase beyond what is needed to keep pace with inflation for certain high priority programs which include Medicaid expansions to address infant mortality and the health needs of the poor; expanded AIDS prevention treatment, and research programs; and health care for the homeless; chapter 1 compensatory education; Pell grants and other need-based student financial aid; education and job training programs aimed at improving trade and competitiveness; the Social Services Block Grant; Community Services Block Grant programs; Head Start; child welfare services; handicapped education; in-home services for the elderly; homeless assistance programs begun in fiscal year 1987; and the Women, Infants, and Children [WIC] Nutrition Program.

The resolution keeps the section 202 loan program for construction and maintenance of housing for the elderly or handicapped; continues Federal assistance to Amtrak; continues current structure for mass transit programs, including formula grants and section 3 capital grants; increases funding for dislocated workers; contains full funding for major drug-law enforcement programs which the President cut by \$950 million; and, rejects the administration's proposed program terminations for UDAG, EDA, Farmers Home rural development loan and grant programs, ARC, and the Rental Housing Development Grant Program. The resolution also rejected the President's proposals to terminate the college work study, supplemental education opportunity grants, and State incentive grants programs, which currently aid almost 2 million students.

Mr. Chairman, the Budget Committee has labored diligently to produce a budget plan which addresses the Federal deficit in a responsible and balanced manner. While many here may find fault with bits and pieces of this budget resolution, I believe the people of West Virginia—and all Americans—have been served well by the committee's ability to achieve deficit reduction while avoiding excessive cuts in either domestic or defense spending and by taking into consideration the education, health, and social priorities of this Nation. I applaud the committee's diligence and support the fruit of their effort. This

budget resolution is a good starting point for determining fiscal year 1988 funding levels.

Mr. PICKLE. Mr. Chairman, I rise in support of the budget resolution reported by the House Budget Committee.

The committee's budget is not an easy one to support. The measures that will be required under this budget will not be pleasant and will not be popular with many of my constituents.

But reality often is unpleasant and this committee budget certainly faces up to the realities of our fiscal situation.

It is a budget that recognizes that there is no free lunch, no easy answers, no quick fixes.

It is a budget that produces meaningful and lasting deficit reductions.

No doubt every Member of this House would like to make adjustments in this resolution. Personally, I would prefer to see a budget that would allow our spending for national defense to at least keep pace with inflation. And, as a member of the House Ways and Means Committee, I do not look forward to the task of having to raise \$18 billion in new revenue.

But reality dictates that those changes cannot be made without breaking our commitment to the American people to reduce our tremendous Federal deficit.

Some may claim that we can accomplish the same amount of deficit reduction without a tax increase. Of course, that is true. We could make \$18 billion more in spending cuts but it would require enormous sacrifices in the areas of education, job training, science and technology, child nutrition, health care, highways, environmental protection, and federally funded research.

Mr. Chairman, some areas of the country have thriving economies and perhaps they could withstand these sacrifices. But as you well know, in the Southwest we are suffering a severe recession. My State of Texas desperately needs those Federal funds for highways, for education, for research, for job training.

Because of our economic troubles in Texas, our State legislature is having to face the difficult issue of raising taxes in order to maintain needed services and it is only right that we do the same here in Washington.

This budget may be tough medicine to swallow, but I believe it's the right prescription.

Mr. LEWIS of Georgia. Mr. Chairman I rise today in strong support of the budget resolution. As elected officials we share a moral obligation to balance our nation's budget and reduce our overbearing deficit. However, this must be accomplished in a rational, thoughtful, and evenhanded manner and not through reactionary, knee-jerk budget cutting. I am deeply troubled by the Reagan administration's attempt to cut needed social programs, especially for established antidrug programs.

The budget resolution protects high priority programs which work to serve the needs of our most vulnerable citizens: children, the aged, and the homeless. It adjusts our budgetary priorities to enhance trade, meet emergency needs, and promote education.

Also, the plan establishes our Nation's anti-drug program as a priority by maintaining funding for the Drug Abuse Education Pro-

gram. The resolution supports funding level increases for the State and local narcotic assistance programs which provide drug enforcement activities. Additional increases have also been targeted for drug prevention, treatment, and rehabilitation programs.

On the other hand, the Reagan administration proposes to reduce the current funding by 50 percent. In his State of the Union Address President Reagan stated, "Let's redouble our personal efforts to provide for every child a safe and drug-free learning environment. If the crusade against drugs succeeds with our children, we will defeat that scourge all over the country."

Contrary to its charge, the Reagan administration has shown that it does not intend to honor its commitment to the "Just Say No" national crusade against drugs. Instead, the administration is proposing to just say no to critical funding by needlessly cutting moneys for antidrug programs that the Congress has already authorized.

President Reagan's budget would eliminate the State and local narcotics assistance programs, which provide \$225 million for drug enforcement activities. Also, funds for drug abuse education programs would be cut from \$200 million in 1987 to \$100 million in 1988. Overall, the administration's budget proposes to reduce Federal antidrug programs and activities by nearly \$975 million.

Last year the Select Committee on Narcotic Abuse and Control published its 1986 Annual Report, which detailed the continuing violence, crime, and human suffering brought on by expanding drug abuse and trafficking. I strongly believe that the committee's 1986 findings underscore the need for funds authorized in the Anti-Drug Abuse Act of 1986, which passed both bodies of Congress by an overwhelming margin. We cannot afford to renege on this commitment.

How can the Reagan administration, in good faith, support a budget that say no to drug law enforcement, prevention, treatment, and rehabilitation programs. Rather than cutting back, we should hold fast to our antidrug funding goals. These funds are not an expense, but an investment in our future that will pay tremendous dividends.

I issue a challenge to my colleagues to support the Democratic budget proposal. It will work not only to reduce our deficit, but is responsible enough to protect much needed programs such as those concerning drug abuse. Our objective should be that of a drug-free America. I strongly believe that the passage of this legislation will reflect the commitment of the Congress to achieve this goal.

Mr. DYMALLY. Mr. Chairman, on behalf of the Congressional Black Caucus I would like to address the contents of our fiscal year 1988 budget alternative.

THE CBC FISCAL YEAR 1988 ALTERNATIVE BUDGET

With the passage of Gramm-Rudman-Hollings, the policies of budget negotiating entered a new era. Progressives and moderates forged coalitions focusing on the development of strategies to realign national priorities and merge domestic and international agendas.

The Congressional Black Caucus continues to challenge the fiscal priorities and programmatic policies of the Reagan Ad-

ministration. As a part of the FY '88 Budget debate, Members of the CBC, for the sixth consecutive year have come together to fill the void in developing a responsible fiscal policy which conforms to deficit reduction goals. Urban and rural interests have been addressed, resolutions of diverse constituent needs and issues unique to specific geographic regions were structured into this document. The culmination of these discussions was the creation of the CBC FY '88 Alternative Budget.

The basic premise of the Alternative is the formation of a fiscal policy that will assure a decent quality of life for all Americans. It calls for leadership and a sound monetary policy which would put Americans to work in meeting our enormous challenges in education, health, housing, transportation, reindustrialization, agriculture, public works, research and development. The centerpiece of this Budget is a strong commitment to people, specifically our children, and their education. We call for creative innovations in the marketplace and throughout government. The FY '88 Alternative demands the maximum utilization of human resources and the training required to achieve these goals. It supports an agricultural system geared to delivering the types and quantities of food needed to abolish hunger and malnutrition across America and throughout the world.

The CBC Alternative builds on imaginative government leadership and forges strong public and private sector partnerships. It pledges the necessary resources for a strong defense, it supports a reformed welfare system, and it makes an unprecedented commitment to the homeless. The FY '88 CBC Alternative charts a new course for America.

MAJOR ECONOMIC ASSUMPTIONS

The Congressional Budget Office and the Reagan Administration have advanced optimistic forecasts of economic growth through FY 1990. Nonetheless, many proponents of the FY 1988 Alternative Budget have expressed concern that the potential for a recession in the out-years has not been factored into these assumptions.

Because, however, baseline figures reflect the economic forecasts presented by the CBO, the FY 1988 Alternative is calculated against those projections as noted:

1. Real GNP growth averages approximately 3.1 percent a year between 1986 and 1991. Normal GNP growth averages in the 7.2 percent range per year.
2. Inflation, as measured by the GNP deflator, averages 4.2 percent a year.
3. The three-month Treasury bill rate declines from 6.4 percent in 1986 to 5.4 percent in 1991 or from 3.1 percent for 1.3 percent after adjustment for inflation.
4. Aggregate forecasts project:
 - (a) The world price of oil will remain close to \$15 per barrel through the end of 1988.
 - (b) The exchange rate (as measured by the Federal Reserve Board index) will continue to decline, reaching by the end of 1988 a level approximately 10 percent below its level at the end of 1986.
 - (c) Food prices will increase to 4 percent throughout the forecast period.
5. Unemployment Rate Exceptions—The CBC Alternative Budget rejects CBO projections for a slow decline in the unemployment rate to a 6.0 percent level by 1991. It adopts instead a Hawkins-Humphrey target in compliance with the "Full Employment and Balanced Growth Act of 1978" of a level of 4 percent unemployment in the civilian labor force through FY 1990.

Congressional Budget Office reports that lost revenues and increased outlays from unemployment yield an unemployment deficit of \$40 billion for every one percent of unemployment. By meeting the Alternative Budget/Hawkins-Humphrey target of 4 percent, additional revenues and outlay reductions for the projected three years would yield: \$40 billion in the first year, \$80 billion the second year, and \$120 billion for FY 1990—figures from the "Economic Budget Outlook: Fiscal Year 1987-1991, A Report to the Senate and House Committees on the Budget—Part 1: Table 11-6, p. 72.

The growth forecast by CBO for the next two years falls within the range of 2.0 percent to 3.5 percent. Forecasts, however, are subject to an unusual number of variables, notably:

The effects on the economy of the restrictive shift in fiscal policy mandated by the Balanced Budget Act;

The economic impact of the Tax Reform Act passed at the end of 1986, which changes the composition and sources of federal receipts and alters economic activity;

The actions of OPEC oil producers;

The future course of the dollar and the speed with which the recent decline in the value of the dollar will work to improve the real trade balance;

The effects of relatively high household and business debt, which could cause a sudden retrenchment of spending.

CONGRESSIONAL BLACK CAUCUS FY 1988 BUDGET HIGHLIGHTS

Outlay Totals

[Numbers stated in billions]

Defense—Function 050:

Baseline	290.45
President	298.26
CBC	279.72

The Congressional Black Caucus (CBC) proposal provides the nation with a secure national defense at responsible funding levels and without sacrificing personnel benefits or readiness.

Defense spending must be analyzed in terms of U.S. foreign and military objectives, not in terms of percentages of real growth or other statistical measures. The CBC view is that if high levels of spending are necessary to ensure national security, then sufficient money should be provided. If they are not necessary, then reductions should be made, even substantial ones.

Recent concern over the level of military spending resulted from the Reagan deficits and the Gramm-Rudman law. In the CBC view, however, these simply force the Congress to do for budgetary reasons what should be done for reasons of national defense—craft a defense budget that provides for a strong defense posture at an acceptable price.)

The CBC proposal rejects the three fundamental tenets of the Reagan military build-up:

1. The development of nuclear first-strike and war-fighting capabilities;
2. The use of military force to impose U.S. views on Third World nations; and
3. The preparation of re-fight World War II in Europe.

Instead, the CBC plan is directed at seven goals:

1. Reducing the risk of nuclear war;
2. Increasing readiness while cutting forces committed to Third World intervention;
3. Reducing the number of troops stationed in Europe and Asia.

4. Eliminating overlapping and unnecessary weapons system;
5. Reforming the procurement process to reduce waste;
6. Fully funding programs for military families; and
7. Establishing new programs for economic conversion and military toxic waste cleanup.

Billions

FY 1988 budget authority (BA) ... \$272.5
FY 1988 budget outlay \$279.7

The FY 88 Outlay level, is just above an Outlay freeze.

While CBC outlays are \$17.8 billion less than the Reagan plan, these CBC levels for FY88 would still be more than double the amount appropriated in FY80, and some 42 percent above the FY 80 level in real (inflation adjusted) terms—more than 4.3 percent per year over and above inflation.

Adoption of the CBC proposal would result in three-year budget period savings of \$155.4 billion in BA and \$104.4 billion in Outlays, as compared with the President's plan.

International Affairs—Function 150:

Baseline 16.76
President 16.61
CBC 15.69

The CBC budget rebudgets money appropriated to fund the FY 1987 urgent supplemental request for southern Africa and U.S. commitments to the multilateral development banks. In FY 1988 security assistance is frozen for out years. CBC calls for an increase in U.S. contributions in FY 1988 to the World Bank group, particularly to meet out commitments to the eighth IDA replenishment and the Special Facility for Africa. The CBC budget also sets out to sustain funding for "base rights" countries and countries moving toward democracy such as Haiti and the Philippines.

General Science and Technology—Function 250:

Baseline 10.67
President 11.17
CBC 11.17

The Alternative Budget seeks to promote two policy objectives through the function 250 budget requests: First, the Budget will develop human resources directly through increased funding for science and engineering education and indirectly by funding basic research which will in the future contribute to U.S. economic strength and which will improve the human condition; second, the Budget maintains a strong Federal contribution to the conduct of civilian and military science.

Energy—Function 270:

Baseline 5.42
President 3.32
CBC 5.43

The Alternative budget devotes considerable resources to DOE's efforts to promote energy conservation and the development of alternative and renewable sources. It again significantly reduces the Department's emphasis on nuclear programs, and redistributes these savings to other vital programs.

The FY 88 Alternative would continue funding of the Department's Office of Minority Economic Impact (MI). Because of the CBC's deep commitment to expanding the volume of energy related business in minority communities and increasing the participation of minorities in the energy industries, we fund this office at \$5,000,000.

Natural Resources and Environment—Function 300:

Baseline 15.48

President 15.07
CBC 15.48

The function includes those programs whose primary purpose is to develop, manage and maintain the nation's natural resources and environment. Thus, preservation encompasses management of water resources, enhancement and protection of environmental quality, development and maintenance of recreational resources, conservation practices on both public and private lands, and management of the public domain.

The Alternative Budget continues to support such important environmental protection programs as the superfund. The superfund laws authorize \$9 billion in expenditures over the next five years for controlling toxic releases. Due to EPA's deficient record in implementing this program, the CBC Alternative Budget recommends an active effort in monitoring the superfund program.

The Alternative Budget supports the preservation of America's cultural and structural history and views this role as the collective responsibility of federal, state and local governments. We therefore urge continuation of funding for these programs.

Agriculture—Function 350:

Baseline 29.96
President 24.89
CBC 29.96

We recommend budget levels necessary to maintain current services in all agricultural programs under Function 350 as authorized in the Food and Security Act of 1985. Recommendations for budget changes reflect, the need for financial restraint in these programs whose costs have recently skyrocketed, and whose benefits have disproportionately gone to large corporate farmers. They also reflect our desire to strengthen federal financial assistance to small and mid-sized farms, to increase loans to minority small farmers who are disproportionately at financial risk today, and to increase food assistance and nutrition education to low-income persons.

The CBC Alternative provides \$165 million in administrative funds for the Temporary Emergency Food Assistance Program to defray storage and distribution costs of CCC commodities donated to states for distribution to needy persons (the \$15 million above FY 1987 levels would be targeted to localities presently not receiving federal commodities, with priority to poor rural areas).

Commerce and Housing Credit—Function 370:

Baseline 8.29
President 4.26
CBC 9.63

The Alternative calls for the preservation and strengthening of the Small Business Administration with a \$500 million funding level for FY 1988. Under this function the CBC strongly supports the goals of the Housing Bill, H.R. 4. This bill would increase the level of loans for rural housing \$1.2 billion over the baseline. In addition, it proposes that \$608 million be allocated toward housing for the elderly and the handicapped, enough to provide 12,000 new units.

In light of the anticipated effects of the recent tax bill on low and moderate income rental housing, the CBC will provide an additional \$500 million to allow for establishment of an office within HUD and provision of a line of credit to be extended for low and moderate income cooperative housing projects.

Transportation—Function 400:

Baseline 28.75
President 27.03
CBC 31.92

The Alternative offers over the projected three years, an additional \$2 billion in federal highway programs, \$4 billion to mass transit, \$1 billion in other ground transportation and \$2.5 billion in aviation programs.

Community and Regional Development—Function 450:

Baseline 6.78
President 5.20
CBC 7.11

The CBC Budget Alternative proposes in agreement with H.R. 4 that CDBGs be increased by \$285 million above the baseline, that UDAGs be increased \$66 million above baseline, and that HODAGs be increased \$47 million above baseline. In addition, the CBC would incorporate H.R. 558, The Urgent Relief to the Homeless Act, into the Budget, providing \$500 million in additional funding to aid the Homeless. In the Alternative during FY 1989 and FY 1990, the CBC would provide and additional \$300 million to continue aiding this economically disadvantaged group.

Education, Training, Employment and Social Services—Function 500:

Baseline 32.64
President 28.47
CBC 33.97

Under this function the CBC Alternative views the primary purposes of Federal programs for education, training, employment and social services are to:

1. Assist parents, states, and localities in providing education, especially for educationally disadvantaged, low-income, and handicapped persons;
2. Assist economically disadvantaged or dislocated workers in gaining job skills and finding permanent, unsubsidized employment opportunities;
3. Help employers maintain stable and productive relations; and
4. Help provide social services for needy children, families, the elderly, and other groups.

The Caucus has placed the education of the Black Child as its top priority for this year. This strategy calls for Federal, state, and local resources to be targeted to:

1. Provide appropriate training of administrators to meet the needs of Black youth;
2. Facilitate the sharing of experiences and examples of exemplary models of effective administrative leadership that have impacted Black children; and
3. Equity for those parties involved with educating Black youth.

4. To address the issue of improving our competitive stance and maintaining and enhancing the quality of life for all Americans, the Caucus supports the passage of H.R. 90, the Education and Training for American Competitiveness Act of 1987.

The CBC Alternative commits adequate resources to fund these initiatives to provide monies for training and employment to workers who have been adversely affected by international trade imbalance.

The CBC views drug abuse education as a focal element in combatting this national epidemic. Funding for national drug abuse education efforts was a cornerstone of last year's omnibus Anti-Drug Abuse Act in which Congress authorized a program of grants to states to encourage the establishment of mandatory drug abuse education

programs in elementary and secondary schools and local-based community prevention efforts. The CBC Alternative supports these projects as well as grants aimed at combatting college and university student drug abuse.

Health—Function 550:

Baseline	44.11
President	40.84
CBC	44.11

The health care agenda of the CBC is crafted to ensure that all Americans receive adequate health care, regardless of their ability to pay for these services. The CBC believes that the federal government has special responsibility to address the particular needs of the poor, minorities and other underserved groups who face particular difficulty obtaining adequate health care. The CBC rejects the notion that this nation has inadequate resources to finance high quality and accessible health care for all. Therefore, the CBC Budget Alternative focuses on five major objectives:

Limiting Health Care Costs for the Elderly.

Expanding Access to the Health Care for the Uninsured and Underinsured.

Improving Maternal and Child Health Services.

Enhancing the Supply of Minority Health Professionals.

Targeting Federal Health Research Funding on Minority Health Problems.

Medicare—Function 570:

Baseline	83.14
President	78.03
CBC	110.14

The Alternative Budget endorses the Catastrophic Health Care insurance plan—proposed in H.R. 65. It provides unlimited hospital stays; comprehensive long-term care, eye, hearing, and dental services; prescription drugs and full payment for physician care. The program would reorganize the delivery of health care through eligible organizations that would contract with Medicare to service a comprehensive package of benefits. The program cost would be approximately \$27 billion and would be funded in part by an additional \$50 per month premium which would generate \$20 billion annually in revenue. This premium would replace those for Medigap insurance and combined with the existing Part B premium would not be allowed to exceed 10% of the beneficiary's income. Additionally funding would be derived from an extension of the 1.45% Medicare payroll tax to all earned income producing an annual \$7 billion. The Alternative will support the continued funding of existing Medicare services at baseline levels.

Income Security—Function 600:

Baseline	131.41
President	127.20
CBC	133.77

The FY 1988 Alternative Budget reflects the belief that the Federal government has the responsibility to assure a reasonable income and a nutritious diet for all poor Americans, especially families with children, the elderly and disabled, and the working poor—who, notwithstanding employment—cannot fully provide for themselves. Additionally, we believe that the government has a responsibility to assist the poor in securing affordable and safe housing.

The centerpiece of this strategy is a comprehensive reform of the nation's welfare system funded by the CBC Alternative by an additional \$6 billion over baseline services.

The Alternative Budget rejects the Administration's anti-poor, anti-family, and anti-child budgetary policies.

1. Increases the budget by \$400 million per year for three years to improve AFDC benefits for mothers with children.

2. Reduces long-term welfare dependency by use of special project grants designed to encourage mothers to delay subsequent pregnancies and provide training and skills development. Increase outlays by \$500 million per year for three years to support training and skills development programs.

3. Increases outlays by \$500 million per year for three years to provide income support to all unemployed parents with children by mandating the implementation of the AFDC-UP program in all states.

4. Coordinate food stamp and AFDC asset rules by:

(a) increasing the AFDC resource limit from \$1,000 to \$2,500 for non-elderly and non-disabled;

(b) raising the automobile fair market value exemption from \$1,500 to \$5,500; and

(c) continuation of the owner occupied home exemption.

5. Apply a \$75 disregard of Social Security and Unemployment compensation benefits in the determination of AFDC and food stamp benefits stamps.

Social Security—Function 650:

Baseline	220.98
President	220.83
CBC	220.98

Function 650 includes those programs that contribute to the income security of retired and disabled Americans through the Social Security program. The Social Security program finances cash payments to persons aged 65 and over under the Old-Aged and Survivors Insurance (OASI) trust fund and for disabled persons 65 and under, through the Disability Insurance (DI) trust fund. The Social Security program is authorized under the Social Security Act.

The FY 1988 Alternative budget, supports current legislative provisions taking social security programs off-budget and provides for higher benefit payments. The Alternative budget assumes the full amount required to pay current law social security benefits, as estimated by the Congressional Budget Office.

Veterans Benefits and Services—

Function 700:	
Baseline	27.40
President	26.73
CBC	27.40

The purpose of this function is provision of services and compensation to veterans and their survivors, including income security benefits compensation for earnings lost due to service related disabilities, hospital service and medical care benefits for service related physical and psychological disabilities, and for general medical services for those veterans who cannot afford medical care. The CBC Alternative provides for maximum financial assistance to veterans for education, job training, rehabilitation and adjustment and to veterans function in civilian life. Other benefits include programs for guaranteed housing loans, life insurance, and burial benefits.

Administration of Justice—Function

750:	
Baseline	9.11
President	9.20
CBC	9.85

The FY 1988 Alternative proposes \$79.85 billion under this function and rejects Administration proposals to cut funding for

drug enforcement. The Alternative also rejects the Administration request to eliminate the Legal Services Corporation and the Juvenile Justice and Delinquency Prevention program.

This function includes those programs designed to provide litigative and judicial activities in federal law enforcement, including enforcement of federal civil and criminal laws, and the interdiction of narcotics and enforcement of narcotics laws and enforcement of civil rights. In addition, this function provides for funding of the judiciary and the federal penal system including rehabilitation and incarceration of criminal offenders.

General Government—Function 800:

Baseline	6.87
President	7.74
CBC	6.87

General Purpose Fiscal Assistance—Function 850:

Baseline	1.86
President	1.53
CBC	1.86

Net Interest—Function 900:

Baseline	140.41
President	138.78
CBC	139.11

Allowances—Function 920:

Baseline926
President	-1.18
CBC926

Undistributed Offsetting Receipts—

Function 950:	
Baseline	-35.11
President	-38.18
CBC	-35.11

Total Expenditures:

Baseline	1071.13
President	1039.72
CBC	1094.80

Revenue:

Baseline	900.45
President	905.40
CBC	964.12

CBC FY 1988 ALTERNATIVE BUDGET REVENUE PROPOSALS

The Alternative Budget contemplates increases in revenues to reduce the deficit and to finance expenditures essential to the well-being of all Americans. A significant part of the new revenues will be dedicated to financing catastrophic health care provisions under Medicare. These new revenues are:

Premiums of \$50 per month per insured (the total premium for catastrophic care and Part B will not be allowed to exceed 10% of the insured's income)—\$20 billion;

Extension of the Medicare Payroll Tax to all earned income—\$7 billion.

General Revenues

Revenues to reduce the deficit and to fund essential additions for the budget will total \$975.60 billion. These revenues shall be raised by means that impact least on those with limited income. One of the major triumphs of the tax reform act of 1986 was that it removed the poor from the income tax rolls. It is the position of the Caucus that this philosophy should continue to guide Congress in any effort to raise revenues. Other revenues designed to reduce the deficit will include major commitments of optional taxes to bring CBC Alternatives on-line with its stated deficit reduction goals.

Deficit:

Baseline	170.68
President	134.31
CBC	130.68

1-25.00

Total..... 105.68

¹ The Congressional Budget Office reported to the Senate and House Committees on the Budget—"Economic Budget Outlook: Fiscal Years 1987-1991" Part I—Table II-6. That lost revenues and increased outlays from unemployment yield an unemployment deficit of \$40 billion dollars for every one percent of unemployment. In meeting Humphrey-Hawkins targets—the CBC ALTERNATIVE assumes for the purposes of budget debate, a reduction in 1988 unemployment levels of .66%, yielding an additional \$25 billion in deficit reductions over initially projected levels.

Mr. HAWKINS. Mr. Chairman, I rise today in support of the House Budget Committee's budget resolution for fiscal year 1988. I am particularly pleased that the resolution recognizes the centrality of education and job training programs in enhancing our competitiveness, expanding opportunity, and laying the groundwork for stable, economic growth.

I am concerned, however, that we have not been able to overcome the insidious tactics of the Reagan administration which force the Congress to choose among programs of equal merit rather than allowing us to address America's needs comprehensively.

The administration argues that Government does too much and that we can't afford it. I believe Government isn't doing enough in key areas and that we can't afford this neglect.

There can be no argument, for instance, about the relationship between hunger and poor performance in school and other antisocial behavior. We need to expand the Women's Infants and Children's Program [WIC] which currently serves only 3.2 million people or less than half of those eligible.

Similarly, report after report convincingly proves the effectiveness of the Chapter 1 Program, Compensatory Education for Disadvantaged Children. Yet, while the number of poor school-aged children has increased by 2 million since 1979, the number receiving compensatory education has fallen dramatically. In 1984, 550,000 fewer children were served by the program than in 1979. Can anybody seriously doubt that society pays a heavy price in poor educational achievement, underemployment, welfare, and the costs of providing other social programs.

In the job training area, there is universal recognition of the effectiveness of the Job Corps Program. Yet, at a time when youth unemployment has reached epidemic proportions—18.1 percent of all teenagers and 37.6 percent of black youth are jobless—we have not expanded youth employment programs that offer gainful employment, meaningful job training, and work experience to economically disadvantaged youth.

These programs do not meet the need because the President has forced us to accept his ground rules of reduced taxes and a level of defense spending that is still too high. When added to the interest on the debt, so much of the budget is off limits that the reductions on which the President insists and which misguidedly enacted legislation like Gramm-Rudman mandates must come at the expense of worthy programs. This year education programs have emerged from the process relatively unscathed. Next year, we may not be so lucky.

The solution, however, is not to rob Peter to pay Paul. The Nation is not well served if we

reduce expenditures for bridge construction and repair, community development, housing, or even foreign aid to fund education and job training. Rather, the answer is to change the assumptions which underlie our deliberations and agree to address all of America's needs and recognize the interrelationship between them.

This year the Education and Labor Committee is responding to several high priorities including reauthorizing elementary and secondary programs, providing a trade-related education initiative and an expanded dislocated worker program to enhance our competitiveness, and welfare reform.

Unfortunately, addressing these needs in a responsible way costs money. More unfortunate, however, is that it is extremely unlikely that we will be able to fund them adequately because we, in the Congress, have agreed to be limited by artificial constraints and an agenda not of our own making.

In this regard I want to acknowledge the leadership of the Speaker, JIM WRIGHT, in forcefully making the case for additional revenues and for fighting so aggressively to create a new agenda with new priorities.

I also want to recognize the accomplishment of the House Budget Committee, particularly Chairman BILL GRAY in constructing a budget resolution in such difficult circumstances.

Finally, on behalf of the Committee on Education and Labor, I want to thank PAT WILLIAMS for his excellent work representing our interests in support of investments in education and other initiatives.

I hope that this statement explains both why I would have preferred to see a different budget resolution from the one the committee reported and why I will energetically support this one.

Mr. BROWN of California. Mr. Chairman, we are considering today an important piece of legislation. It establishes no law, nor does it appropriate any money; yet it has great impact on every Federal agency, every Federal program, every Federal recipient. It is legislation which establishes Federal fiscal priorities, and thus Federal policies. It is legislation which outlines the guidelines for committee and congressional action. It is legislation aimed at reducing the deficit, thus improving our balance of trade and overall economy. In short, it is the Federal Government's fiscal blueprint. I am, of course, referring to the fiscal year 1988 budget resolution.

What type of blueprint has emerged from the House Budget Committee? As with any legislation of this magnitude, it is not perfect—at least not from my perspective. Nonetheless, it is a sound blueprint which can lay a solid foundation for future legislation. There are many, of course, who will argue that the economic assumptions used in the budget are illusory, and therefore all its figures are meaningless. Yet it is not exacting figures or arbitrary deficit targets which are important. No, it is that, overall, the trend of rising deficits has been reversed; that there is a meaningful and steady reduction in our annual deficits.

I would prefer, of course, that the budget resolution's economic assumptions, which can substantially alter budget projections, were more realistic. I believe we owe the American

people a forthright and honest budget presentation. However, we cannot compare apples and oranges. By using the President's Office of Management and Budget's own economic assumptions, we can compare the House committee's proposal and the President's budget on an equal footing. Not only is it possible to compare the differing budget priorities, but also the resultant budget savings and revenue increases. It soon becomes apparent that the House Budget Committee's proposal compares favorably on nearly every level.

The Budget Committee's proposal cuts the deficit by \$38.2 billion in fiscal year 1988, achieving more deficit reduction than the \$36.1 billion in the President's budget. These are real and permanent savings, and do not depend on illusory 1-year savings such as asset sales or on accounting gimmickry, as does the President's budget. The \$38.2 billion in permanent deficit reduction in the committee plan is nearly twice as large as the permanent deficit reduction of \$19.8 billion in the President's budget.

These reductions would more than meet the Gramm-Rudman deficit target for fiscal year 1988 by producing a deficit of \$107.6 billion, slightly less than the President's \$107.8 billion figure. And by requiring that the cuts be equally distributed between defense and nondefense programs, it remains consistent with the Gramm-Rudman deficit reduction legislation.

A few diehards will argue that our national security will be severely undermined if President Reagan's defense buildup does not continue unabated. But let's look beyond the rhetoric to the facts. In 1980, Ronald Reagan campaigned, in part, on a pledge to increase defense spending. After President Reagan took office, he embarked—with the support of the American public and Congress—on the largest peacetime defense buildup in history. Annual defense funding is now roughly double its fiscal year 1980 level. Poll after poll indicates that the majority of the American public is comfortable with the amount of money spent on defense.

Congress, too, would like a full accounting of what we have gotten for our money. Surely, our investments should have yielded results, improving our national security and prospects for a more peaceful world. The Budget Committee in no way suggests that we return to our former defense spending levels. Indeed, actual fiscal year 1988 defense outlays would be \$2.1 billion above the fiscal year 1987 level. The committee merely calls for reducing defense outlays by \$8.75 billion below the amount that would be needed to keep up with inflation. The committee assumes that these adjustments would be made proportionately in all areas in order to avoid undue or unfair reductions in any one or two areas. This would lead to a balanced defense program within the constraints of the budget resolution totals.

The budget resolution also attempts to balance our nondefense needs. The House Budget Committee's proposal attempts to protect high priority programs serving children, senior citizens, the homeless, the ill, the needy and others of our most vulnerable citizens. It also places a high priority on efforts to enhance trade, promote education, and meet emergency health and other needs. And it is

here that our visions diverge, not because I do not agree with the House Budget Committee, but because I believe we should make a stronger commitment to these programs.

In 1986, our trade deficit reached an appalling \$170 billion. It is strikingly apparent that the laissez-faire trade policy of the Reagan administration has been myopic. To continue this policy guarantees record future trade deficit records, and a reduced standard of living. We cannot continue to merely talk trade. We must prepare for trade. We must prepare our youth for a more technological and competitive world environment; prepare our workers for an ever-changing workplace; and prepare our industries to compete aggressively with our allies both domestically and internationally. This cannot be done without a coordinated job training, education, and, yes, even research policy.

Strictly speaking, the secret to competitiveness is not all that secret. We must provide a desirable, high quality, consistent, cost-competitive product to the appropriate marketplace. This requires a whole chain of events, beginning with proper education of our work force to provide a skilled labor force; continuing with support for basic science and research to provide the foundation for our technology; and including investments in applied science, innovation, and technology development. But just as important, it requires technology transfer to ensure that these ideas and technologies are transferred into product development to provide a continuous supply of new and desirable products and services.

In the most general sense, I believe that our inability to understand the relationship of these factors with the rest of our society has caused us to neglect some of the very cornerstones of our competitiveness. This is one of the root causes of our current problem, and if we are to avoid similar breakdowns in the future, we are going to have to spend more time, and perhaps more money. Only when all of the links of this vital chain are nurtured and kept strong will we be competitive. This should be our basic goal, and should be the premise upon which a coherent, broad based and long-term national trade blueprint is developed.

The blueprint must begin with a strong national commitment to education, particularly science and math education. Both the President and Congress are now supporting increases in science and math education. Yet, while the President recommended a healthy increase for math and science education within the National Science Foundation, bringing it up to \$115 million, this funding, when compared in constant dollars, amounts to only half as much for math and science education during the Sputnik years of the late 1950's.

However, education should not be reserved only for the Nation's young. If we are to maintain a flexible work force, then we must place a higher emphasis on worker retraining. As we continue to shift away from low-technology industries, such as steel, it will become increasingly vital to retrain displaced workers. While this budget is an improvement over the past, Congress continues to fight the administration on efforts to boost such programs, and more effort is needed to develop alternatives for displaced workers.

Nor have we placed appropriate emphasis on our civilian research investments. While the defense related portion of our total research and development spending between the mid-1960's through 1980 was between 49 and 54 percent, this year, the President's budget request set aside close to 75 percent of our research dollars to defense-related research. I find this extremely disconcerting, since it is frequently difficult to transfer defense-related technology to the civilian sector. There is little evidence to suggest that defense-related research and development contributes to civilian economic growth. Further, this extreme emphasis on defense-related research is resulting in a brain-drain from important civilian sector projects.

Education, job training, and research are the foundations of an innovative and creative society. They are the cornerstones of our past success; they are the cornerstones of our economic competitors' success. Unfortunately, the results of such investments are rarely immediately tangible. Indeed, they often take decades to mature. But without such investments, I guarantee that our competitiveness will continue to erode and our very standard of living placed in jeopardy. Yes, we must reduce our deficits, but as any entrepreneur can tell you: without investments, you can expect no returns.

The Budget Committee's proposal may not go as far as I would like, but it is a step in the right direction. Throughout the remainder of this session and beyond, we shall have opportunities to strengthen our fiscal and competitiveness blueprints. As we do so, I encourage my colleagues to bear in mind the importance of both short-term and long-term solutions to this problem. For improving our competitiveness is the key to improving our budget and trade deficits, and strengthening our overall economy not only in the days, but the years and decades to come.

Before I close, I would like to commend the Congressional Black Caucus [CBC] in its continuing effort to formulate an alternative proposal. As it has in the past, the CBC budget attempts to establish a fiscal policy which will ensure a decent quality of life for all Americans. The centerpiece of this budget is a strong commitment to people, particularly our children and their education. The members of the Black Caucus should be proud of their persistent endeavors on behalf of all Americans. I will, of course, support the caucus budget, but failing that must turn my attention on whether or not to support the Budget Committee's proposal.

The Budget Committee chairman and his colleagues have also worked long and hard to balance our fiscal priorities. I cannot maintain that this budget is the perfect budget, but it is better than the President's version or no budget at all. And though I would have preferred a stronger investment in some vital areas, I will, in the end, support this budget. I recommend that my colleagues do the same. Thank you.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield myself such time as I may consume.

We have had a lengthy general debate about the budget. Today we have heard from our friends on the

Republican side of the aisle a lot of complaints about the amount of paper and procedures. I can understand and I hear what they are saying; however, the real issue that we must decide tomorrow by voting, not by rhetoric, is where do we stand with regard to choices for reducing the deficit?

We will have an opportunity to vote for several plans. There is the President's plan and I hope those who have said they are disturbed by the defense numbers and other numbers, if they believe that the President's plan has a better choice, they will vote for it.

We will also have the Dannemeyer substitute, as well as the Congressional Black Caucus and the House Budget Committee.

□ 1740

All of them represent a set of choices, and I think what really is very clear is, since we do not have a budget representing the leadership of the Republican side of the legislature, we have to assume that the President's budget represents their party.

Thus, the choice that we have is whether or not we are going to increase dramatically foreign aid while cutting student aid, or will we dramatically increase Pentagon aid while cutting farm aid.

What we have said in the House Budget Committee is that there ought to be a balance in those reductions, and that education is a priority, that health care is a priority, and that there should be spending reductions on the domestic side of \$9 billion, and spending reductions on the Pentagon side of the same amount.

That is why this budget has more real permanent, true deficit reduction than any other that has been proposed. It has over \$2 billion more in the first year than the President's, and when you take out the President's one-time asset sales, it actually has twice as much savings.

It also has less revenues than the President's. We have heard a lot about the Democrats taxing and spending. Well, I have not heard too many Members on the other side talk about the taxes in the President's budget, but he has 22.4 billion dollars' worth of revenues, whereas we have a half a billion dollars less of revenues.

I think that the choice is clear. We have, I believe, a budget that represents a consensus. It is balanced, it is fair, and it is equitable.

I am not surprised that my colleagues from the Republican side of the aisle are opposed to our budget. I am not surprised because they did not participate in the marking up of the budget, even though they were asked to amend and to vote. But what I am surprised at hearing is that some are suggesting that tomorrow on all votes there will be a "no" vote.

Well, I do not think that the American population sent us here to do that. I urge all my colleagues to vote. Vote for something that represents your viewpoint or comes closest to it. To vote "no" on all of the budgetary proposals is an abdication of our legislative responsibility and is the moral equivalent of legislatively saying, "Stop the world, I want to get off."

I do not believe that any of us can do that. I hope that my colleagues on both sides of the aisle will vote. They will be able to vote on several choices, several plans, and I urge them to do so.

Mr. BILBRAY. Mr. Chairman, today before us we face the difficult task of determining the blueprint for Government spending for the upcoming year. And frankly, the choice we must make will leave us between a rock and a hard place.

The deficit must come down and as difficult as this is, it pales in comparison to the consequences of inaction. In the past 5 years, the United States has gone from being the greatest creditor nation in the world to the greatest debtor nation on Earth. This is especially alarming in view of the fact that the United States has not been a debtor nation since World War I.

The U.S. Government now spends roughly 30 percent more money than it takes in. It took 39 Presidents and 200 years to accumulate a debt of \$1 trillion. But since 1981, the national debt has more than doubled. Interest payments alone have tripled to a total of \$140 billion a year, and now are the third largest segment of our budget, ranking only below Social Security and defense expenditures. We increasingly pay this debt to foreign investors in Tokyo, Hamburg, Geneva and Riyadh who have been bailing us out by buying Federal securities. Worse still, the truth is our economy would suffer withdrawal symptoms should these foreign investors become unwilling to commit more money to the economy.

Let us face facts, Mr. Chairman. Should we not act today, our Nation would be forced to borrow increasing amounts of money year after year just to pay the interest on the national debt. The already shrinking pool of money available to the private sector—money that would be spent in growth-oriented activities, including home buying—would face an increasingly crowded loan market. The fact is that if we cower from making the necessary difficult decisions, the tremendous trade imbalance our Nation now endures would worsen at a cost of thousands of American jobs. The danger of the deficit is real. Shrinking away from our responsibilities would compound the burden imposed on future generations, and will force future administrations to drastically hike the Government's tax take out of the income our children and grandchildren can produce in order to provide public goods and services at levels comparable to today as well as meeting the costs of debt service.

These are the hard facts, Mr. Chairman. While they are not pleasant, honesty dictates that we tell the American people what our choices are.

Congress, recognizing the dire consequences of an unchecked deficit, has made

the tough choices to close the deficit hemorrhage. Congress has cut domestic spending by \$300 billion since 1981, and has further cut the administration's budget requests by more than \$25 billion during that same period.

Today, we must choose between the administration's budget or the House Budget Committee's budget. We must choose whether we continue a responsible and honest approach to deficit reduction, or whether we turn our back on our word to the American people and lay a smokescreen of doubletalk to cover our tracks.

The President has said he opposed tax increases, but his own fiscal year 1988 budget calls for \$23 billion in new taxes. They are called user fees, asset sales, increased receipts, revenue enhancements and offsetting collections. But no matter what you call them, they are just a crafty use of semantics which obscure what is being proposed by the administration: raise taxes by \$23 billion.

The House Budget Committee proposes a smaller increase in taxes than the administration proposes, and has the decency to be honest with the American people in talking about it.

The administration's fiscal year 1988 budget includes only \$19.8 billion in permanent deficit reduction measures which are mostly achieved mainly through domestic spending cuts. About half of that amount in deficit reduction under the administration proposal would come from the sale of physical and financial assets. But in all honesty Mr. Chairman, asset sales produce only one-time savings which are followed by increased costs in the future due to the loss of income that these assets would otherwise produce.

In contrast, the resolution reported by the Budget Committee contains \$38.2 billion in permanent deficit reductions, including \$17.5 billion in spending cuts. Unlike the administration proposal, deficit reductions are not obtained through an accounting sleight-of-hand but are reached by a equally-balanced reduction of domestic and military spending.

The administration budget would cut fiscal year 1988 domestic outlays by \$22.5 billion below the level that the Congressional Budget Office estimates would be necessary to maintain current levels, and proposes to eliminate at least 45 programs, including EPA construction grants, college work study, urban development action grants, and the Legal Services Corporation. Medicare would be cut by \$5.1 billion for the next fiscal year, and by \$20.8 billion over the next 3 years. Education, training and social services would be cut by \$5.45 billion over what would be needed to maintain current levels. These cuts would, for the most part, not go toward deficit reduction but rather be used to finance an \$18 billion increase in defense outlays. And, I would remind the speaker, this is on top of spending \$1.4 trillion on defense over the past 6 years.

The Budget Committee resolution would also make deep cuts in domestic spending. Under this plan, \$2.5 billion would be cut from entitlement programs. Medicare would be reduced by \$1.5 billion and \$1.0 billion would be cut from agriculture. Total domestic outlays would be cut by a total of \$8.75 billion. What is significant is that this amount is matched by an equal \$8.75 billion cut in defense.

Mr. Chairman, it is only fair that defense contribute to the process of deficit reduction. By fiscal year 1991, if the administration's budget requests were to be enacted, the United States would be spending more on defense than in any year since World War II, including the peak spending years of the Korean and Vietnam wars. While equally matching domestic spending and military spending cuts, the Budget Committee resolution will still provide for military funding at levels significantly higher than normal peacetime spending levels. If the fiscal year 1988 House budget resolution were to pass, the \$288.7 billion it provides for defense would represent an average annual real growth of 4.2 percent in defense budget since fiscal year 1980, well above the 3 percent real growth target set by NATO in 1977.

Even with the reductions slated under the Budget Committee Resolution, the fiscal year 1988 defense appropriations target of \$288.7 billion is only three-tenths of 1 percent below this year's level.

While I support equal domestic and military spending cuts, I must express my concern that neither proposal will meet the deficit-reduction targets mandated under Gramm-Rudman. However, given the prospect of the consequences of inaction I must support equal and balanced cuts.

Mr. Chairman, Nevadans like to look at the bottom line. On this question, the bottom line is whether we support a large tax increase or a lesser tax increase. Given the choice between these two evils, I must support the Budget Committee resolution.

The CHAIRMAN. All time has expired.

Mr. GRAY of Pennsylvania. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. MORRISON of Connecticut) having assumed the chair, Mr. NATCHER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the concurrent resolution (H. Con. Res. 93) setting forth the congressional budget for the U.S. Government for the fiscal years 1988, 1989, and 1990, had come to no resolution thereon.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed a bill of the House of the following title, in which the concurrence of the House is requested:

H.R. 1783. An act to make technical corrections in certain defense-related laws.

The message also announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 1123. An act to amend the Food Security Act of 1985 to extend the date for

submitting the report required by the National Commission on Dairy Policy.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 626. An act to prohibit the imposition of an entrance fee at the Statue of Liberty National Monument, and for other purposes.

GENERAL LEAVE

Mrs. VUCANOVICH. Mr. Speaker, I ask unanimous consent that all Members may have 3 legislative days within which to revise and extend their remarks on House Resolution 139, the rule making in order consideration of the budget resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Nevada?

There was no objection.

GENERAL LEAVE

Mr. OWENS of New York. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on House Concurrent Resolution 93.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

THE IMPORTANCE OF CDBG AND UDAG PROGRAMS

(Mr. MFUME asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MFUME. Mr. Speaker, when I came into Congress, I was and remain committed to the reordering of the priorities of America. I am standfast in that we cannot and must not make less of a priority of our domestic needs.

Just 1 month ago, I listened and participated during the hearings, markup, and floor debate when we considered legislation to aid the homeless. There were so many eloquent comments, heartfelt statements, and so much energy exerted to aid in the expeditious passage of the legislation and everyone that supported this initiative did so with the realization that emergency assistance for the homeless is only a temporary band-aid. The time is now to focus on those issues that can help people before they become homeless, those programs that develop and revitalize our communities.

Today, as we begin to consider the various budget plans for this Nation; as we begin to determine the priorities of America, I ask that we not ignore the needs of our communities and fund adequately the Community Development Action Grant and the

Urban Development Action Grant Programs. I ask that we keep in mind the necessity to keep in place and strengthen long-term solutions to our Nation's problems as we consider funding the programs that are critical to the physical and economic health of our communities.

Needless to say, the CDBG and UDAG programs are both critical to the physical and economic health of our communities, and thus, the Nation. Yet the administration in its fiscal 1988 budget, proposes a funding level of \$2.625 billion for CDBG—which is 12.5 percent less than the fiscal 1986 amount and the lowest funding level for the program since 1976—and termination of the UDAG program is proposed amid the recognition of the program's substantial success.

Both of these programs provide assistance for locally determined physical, economic, and community development activities targeted to low- and moderate-income families and distressed neighborhoods. It is important that they both be funded at least at the current level of services. However, the administration, in its proposal, has deserted the commitment the Congress has made to assisting these areas to share in the benefits of national economic growth.

The Democratic budget plan, I am proud to say, rejects the President's proposal to reduce the CDBG and to terminate the UDAG. The plan assumes that virtually all community and regional development programs under function 450 of the budget would be funded at 1987 levels in budget authority.

I cannot overemphasize the importance of these programs and while I remain of the mindset that the programs need increased funding, I accept and encourage my colleagues to support the Democratic budget plan where these programs are concerned.

In fiscal 1985, entitlement cities spent 22 percent of their CDBG resources for public works projects. Housing-related activities absorbed 36 percent, with single-family housing rehabilitation accounting for half that amount. Economic development activities, such as loans and grants to businesses and related infrastructure support, claimed 11 percent of the cities' funds.

States awarded nearly 46 percent of their awards for public works projects, 15 percent for other economic development activities, and about 24 percent were housing-related. The CDBG award has been one of the mainstays for Baltimore as well as many other cities and many States.

The UDAG program provides the financial incentives necessary to encourage private businesses to undertake major commercial, industrial, and neighborhood development projects in

economically distressed communities. Each UDAG dollar is credited with leveraging more than six times as many private dollars. The UDAG program has assisted nearly 2,600 development projects in more than 1,100 cities since 1978. Nationwide, \$4.1 billion in UDAG resources is credited with generating nearly 540,000 permanent new jobs, 111,000 retained jobs, and 450,000 construction jobs. The program is further credited with generating more than 105,000 units of rehabilitated or newly constructed housing—40 percent of which has been for low- and moderate-income persons—and more than \$600 million annually in local tax revenues. How can such a program be considered for termination by this administration?

The reduction or termination of these programs would amount to a significant loss in our battle to provide stable environments so as to avoid homelessness and other distraught situations. Quite frankly, when we reach the point of having to pass emergency legislation instead, we are at the point of being too late because we are then only addressing the symptom.

GENERAL LEAVE

Mr. OWENS of New York. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and include extraneous material, on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

NATIONAL LIBRARY WEEK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. STRATTON] is recognized for 5 minutes.

Mr. STRATTON. Mr. Speaker, I am pleased to rise today in the House to commend our country's libraries for the outstanding service they provide our people and our society. This is National Library Week—an excellent opportunity for all of us to reacquire ourselves with the valuable resources of our libraries. I know I depend on them.

From an educational standpoint, libraries are an unparalleled source of information for students of all ages. Maps and magazines, cassettes and microfiche, and, of course, books on every subject provide research material for college papers, audio lessons for high school language classes, and primers for elementary students just learning to read. Libraries are an invaluable part of our educational system.

But libraries are not only a vital educational tool, they are also a terrific source of entertainment. For me, reading is an active pleasure and great source of satisfaction. Anyone with a willing imagination can find stories of

ancient civilizations and faraway lands, great heroes, and mythic legends to explore at the library. Historic accounts, adventure stories, romantic novels, and classic literature are all accessible.

For whatever reason, people of all ages visit libraries everyday. They are a national resource and treasure, and I am delighted to take this opportunity during National Library Week to salute them.

NATIONAL LIBRARY WEEK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. OWENS] is recognized for 60 minutes.

Mr. OWENS of New York. Mr. Speaker, this special order is to celebrate National Library Week. Each year, Mr. Speaker, there is a period set aside to call the attention of the Nation to the importance of our libraries. Our libraries are an important component of the total overall educational effort of the Nation.

One week of course is not enough to call attention to it, but symbolically it is important that we take time out and consider the fact that in our very complex society, as the amount of information and the amount of knowledge being generated increases so very rapidly, there is a need for a group of professionals to protect us from this onslaught of information and to prevent the information world and the vast generation of information from overwhelming us.

These professionals are librarians, and the institutions that they are in charge of are libraries. Whether they are libraries for the entire public, libraries for educational institutions, school libraries, college libraries, university libraries, research libraries, special libraries, all of these have one thing in common—they have a group of professionals who are there for the purpose of preventing us from being overwhelmed by the enormous amount of information being generated.

□ 1750

They are there to guide us through the maze. They are there to bring order out of what could be a chaos which would be of no use to anyone.

Each year the President acknowledges National Library Week, and I would like to begin by stating a part of the President's letter, a very significant part. I am quoting from the President's letter:

Dr. Samuel Johnson said that knowledge is of two kinds. We know a subject ourselves or we know where we can find information on it. Humanity continues to make dramatic strides in expanding the frontiers of knowledge. No single individual can hope to master all. Libraries make available to us the knowledge we seek or guide us in the pursuit of that knowledge.

Mr. Speaker, I will enter in the RECORD at this point the entire letter of the President in this regard.

The letter referred to follows:

THE WHITE HOUSE,
Washington.

NATIONAL LIBRARY WEEK, APRIL 5-11, 1987

I am pleased to extend warmest greetings to the American Library Association for the 30th annual observance of National Library Week.

America's libraries are one of the essential features of our modern society because they encourage literacy, knowledge and a better understanding of the world—and, of course, because they serve as a depository of America's rich and diverse cultural heritage. It is indeed appropriate that each year we recognize America's libraries and the outstanding individuals who make them work so well.

Dr. Samuel Johnson said, "Knowledge is to two kinds. We know a subject ourselves, or we know where we can find information upon it." Humanity continues to make dramatic strides in expanding the frontiers of knowledge. Although no single individual can hope to master all, libraries make available to us the knowledge we seek or to guide us in pursuit of it. The wealth of services our libraries provide to our communities makes it possible to reflect upon our past so that we may be better prepared for all that lies ahead.

This celebration is but another reminder of how much we rely on our libraries. I urge all Americans to "take time to read" and to pay a visit to your local library during this special week and throughout the year.

RONALD REAGAN.

Mr. Speaker, I would also like to point out that this particular National Library Week in the year of 1987 has a special significance in that the Librarian of Congress has recently indicated that he will be resigning. The Librarian of Congress is a very important person in the constellation of libraries and library services and library systems for the entire country. The Librarian of Congress does not only serve Congress, but has a network of services that extends throughout the entire Nation.

Most people do not realize it, but the Library of Congress is in charge of all services such as reading to the blind, services that are extended to the smallest public libraries in the smallest rural communities. Beginning at the Library of Congress are our braille books. They originate there and are routed throughout the country. That is only one service that the Library of Congress provides that few people know about. There are many others.

Among those others are the provision of library cards, the cards we find in the library catalogs which are often provided by the Library of Congress. Certainly the assignment of subheadings and the classifications and a number of other things are done by the Library of Congress, and the network that provides for the distribution of this originated with the Library of Congress.

So the Librarian of Congress is a person who occupies a very special place in the total, overall system of library services for our Nation.

Mr. WILLIAMS. Mr. Speaker, will the gentleman yield?

Mr. OWENS of New York. I am happy to yield to the gentleman from Wyoming [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. Speaker, I thank the gentleman for yielding and commend him and associate myself with his commemorative special order.

I would like to draw the attention of other Members of the House to a fact that ought to be recognized and celebrated throughout this Congress. That is, the gentleman from New York [Mr. OWENS] who has taken this special order is, if my understanding is correct, the only librarian to serve in the Congress in the long history of the Congress. This Congress has lasted now 200 years. I suppose we ought to be somewhat surprised that we have not had a librarian before the gentleman from New York, but I cannot think of anyone better qualified to be the first librarian in the Congress than the gentleman, and I commend him for that and I thank him for yielding.

Mr. OWENS of New York. I thank the gentleman for his kind remarks. I would like to say that technically I may be the first librarian to serve in the Congress, however the spirit of librarianship has been here for a long time, starting with Thomas Jefferson who insisted that the body needed a library, and later on when the library was destroyed offered his own library to restore the Library of Congress. But I thank the gentleman for his remarks.

The present Librarian of Congress, as I said, has resigned. I would like to state that the selection of a new Librarian of Congress is no small matter. We should all be concerned with it.

In that respect, I have introduced a bill which will deal with part of that process. Heretofore, Librarians of Congress have been selected without any qualifications being required. This does not mean we have had Librarians of Congress who did not perform admirably. In fact, most of them have. Some of them have been librarians and some have not been librarians.

The legislation I am offering, H.R. 683, which has already been introduced, is offered in the spirit of the complexity of our modern society. We cannot have a situation any longer where Librarians of Congress do not have the firm foundation in librarianship and are parts of the professional library world. The complexities are such and the systems that span our country, and indeed the international systems of information, and the library services are so great, to any longer allow the process of the appointment of a Librarian of Congress to go forward without having some qualifications cannot continue. We have qualifications for the Surgeon

General, and we have qualifications for the Solicitor General which relate to the job they are going to perform. For that reason, I have offered legislation which merely requires that we follow the same pattern established for qualifications in the selection of a Solicitor General and the Surgeon General. We are asking in this legislation that from here on the Librarian of Congress shall be appointed by the President, along with the advice and consent of the Senate, and the Librarian of Congress shall be appointed from among individuals who have specialized training or significant experience in the field of library and information science. This is the only addition to the law. We think it is a reasonable request at this stage in the history of the Library of Congress.

In connection with that, I have sent a letter to my colleagues requesting that they cosponsor this legislation. I would like to read that letter because I think it explains the reason for this request at this time.

DEAR COLLEAGUE: As the search for a successor to the retiring Librarian of Congress Daniel Boorstin gears up over the next several months, we are likely to hear considerable debate about the intellectual caliber and credentials of the possible candidates. Even the political beliefs and affiliations of the contending candidates are likely to come under scrutiny. Unfortunately, what we may not hear amid all of this debate is whether or not the candidates have any training and experience which qualifies them to oversee and expand the only federal entity which might be called a national library. Of even greater importance is the question of which candidate can best serve as a "Great Communicator" for culture and information systems.

Unlike other positions, such as the Surgeon General and the Solicitor General, the Librarian of Congress is not required to have any specialized experience or expertise under current statutes. The Surgeon General must "have specialized training or significant experience in public health programs". And the Solicitor General must be "learned in the law".

The relatively recent tradition of selecting an outstanding "man or woman of letters" as Librarian of Congress is a good one inasmuch as it recognizes the great significance of the institution in American life. But it fails to recognize that the Library of Congress is much more than a symbol—it is the key component of a national information network. The institution's importance demands that it be headed by a professional librarian—an individual whose expertise enables them to understand the present scope and breadth of the institutions activities. Such a professional librarian would be immersed in the National and world information community to a degree great enough to inspire visions of the kind of national library and information systems our country needs as we move into the twenty-first century.

It is imperative that we lay aside our conventional thinking about libraries and librarians and understand that there are professional librarians who are master administrators running "systems" of libraries with multi-million dollar budgets and thousands of employees. There are a considerable

number of librarians with doctorate degrees who have written numerous books and articles. What we need is a "Librarian of Letters" whose primary function is to serve as a "Great Communicator" for national culture and information.

The Librarian of Congress should be a major source of advice on culture and information issues for the President and the Congress. The Librarian of Congress should be a voice which seeks to coordinate and unify federal information agencies and federal information activities. Members of Congress should be concerned about the present fragmentation of federal information activities. There is presently no central policy coordination to maximize the effectiveness of the following large and complex cultural and information entities:

- National Technical Information Service
- Defense Technical Information Center
- Smithsonian Institution
- National Endowment for the Humanities
- National Archives
- National Library of Medicine
- Government Printing Office
- Numerous Executive Branch Libraries

The only single position within the federal government with the status and scope which gives it the potential capability of constructively coordinating this array of institutions is the Librarian of Congress. The person chosen to serve as the Librarian of Congress should be a man or woman trained to preside over such a grouping.

Without an updated approach to our national information systems in this age of information, our commerce, technology, and military efforts will continue to escalate in cost while they become less effective. The information systems of Japan and the Soviet Union are already superior to our stagnating neanderthal approach.

These are some of the reasons I have introduced legislation (H.R. 683) modeled on the current statutory qualification for the Surgeon General and the Solicitor General. H.R. 683 would require that "the Librarian of Congress shall be appointed from among individuals who have specialized training or significant experience in the field of library and information science".

It is important to note that such a requirement would by no means preclude the appointment of a great scholar to the position; the ranks of American librarians include a great many recognized "men and women of letters". It would, however, help ensure that for future generations, the Library of Congress will not merely be the best institution of its kind in America but the pivotal component of a world-class information system.

□ 1800

As the first professional librarian elected to the Congress, I hope my colleagues will join in cosponsoring this very important piece of legislation. As I said before, this is legislation which has great significance during this week when we celebrate National Library Week because the Library of Congress sits at the pinnacle, is the pinnacle of all library service in this Nation.

There are some very important other current issues related to libraries before the Congress or before the various decisionmakers here in Washington.

There are issues, of course, which relate to libraries in the budget which

was debated today. The budget, of course, that has been set forth by the Budget Committee of the House of Representatives, that resolution corrects or goes much further than the President's budget. Whereas the President has commended libraries and called for more people to use libraries, his budget again placed zero in the budget for most functions relating to libraries, starting with the Library Services and Construction Act.

Again Congress, this House of Representatives, has restored funding for those very important library programs. The President has a set of rescissions in his budget, he has attempted rescissions which defunded certain crucial programs relating to higher education. That period of congressional review which was related to those decisions has expired, and now the President has to spend the money relating to LSCA and the Higher Education Assistance Act.

The postal revenue foregone provisions, whereby we subsidize postal rates in order to keep the rates lower for certain kinds of organizations including libraries, again the President has not supported the request. He would eliminate all postal revenue foregone appropriations except the free mailing privileges for the blind.

Well, in doing that, the result would be that there would be a 29-percent increase for the library postal rate, which in essence means instead of spending money on books in libraries and services and providing greater information services for the American people, libraries would be spending more of their money on the postage necessary to transmit books and materials.

There are many other issues relating to the Government Printing Office, the National Endowment for Humanities, Education Consolidation Improvement Act, and others which are directly related to the welfare of libraries throughout the Nation.

I would particularly like to point out the Education Consolidation and Improvement Act now under consideration in the Committee on Education and Labor, which contains provisions which are very important to school libraries.

Chapter 2 of the Education Consolidation and Improvement Act at one time had specific mandates for the provision of library services. Chapter 2 in 1981 under the Reagan administration's consolidated grants, was placed into a block grant with 31 other services in addition to library services. As a result, very little of that money has been spent on library services.

In the present reauthorization process we are requesting that libraries again be singled out as mandated services and if they are to be retained in a block grant that the block grant func-

tions be reduced, libraries be one of five functions and that there be a clear statement of the need to have libraries funded by the provisions of chapter 2.

With respect to appropriations, I would agree with most of the recommendations that have been made by the American Library Association in all areas. The authorizations for library programs have been much higher than the appropriations. We are in urgent need of having to play catchup. The recommendations of the American Library Association with respect to appropriations are much more sensible. They take into consideration the fact that we have a budget crisis. They do not ask for the full authorization but do recommend for the Library Services and Construction Act a sum much higher than that recommended by the President. They recommend, for the Higher Education Act library programs, a sum which is higher than that recommended by the President and for several other library programs.

The recommendations of the American Library Association, which I would like to submit for the RECORD, are reasonable recommendations with which I heartily agree. They are necessary to keep our libraries viable in this Nation.

Among the areas that are discussed in the recommendations for appropriations is the Library Services and Construction Act. I would just like to point out some of the kinds of programs that the Library Services and Construction Act is funding in the New York State congressional districts.

The Brooklyn Public Library, for example, funds a very important urban resource library project to provide additional materials in libraries in urban areas where the money is not available to keep those libraries up to date.

More important is the education information centers program provided by the Brooklyn Public Library which provides adult independent learning information and job information for employed people who want to seek new jobs or promotions, as well as unemployed persons and give special attention to the information needs of the handicapped.

The Nassau Library System, like many others, has an adult learning center program, job information center, English for new Americans, a very important literary project. Several libraries are offering English for new Americans and finding they are being overwhelmed by new requests as a result of our immigration legislation which recently passed.

So throughout the State of New York, all the congressional districts, there are very impressive programs undertaken using funds from the Library Services and Construction Act. These programs are very much in need

of appropriations closer to the authorization levels.

Another very vital issue which must be discussed during this National Library Week is the issue of access to Government information. The American Library Association and other research organizations are fighting a losing battle with the present administration in their attempts to get greater access to Government information. We have a problem of the privatization of the National Technical Information Service. The Office of Management and Budget has revealed its decision that it will contract out the National Technical Information Service.

In 1988 the office informs us that the private sector will be offered the opportunity to operate the National Technical Information Service. This decision of the Office of Management and Budget has been made despite the fact that the Department of Commerce, which is responsible for the National Technical Information Service, stated that "the evidence is that extensive privatization presents substantial cost and risk for the government for NTIS customers and for the information industry as a whole."

□ 1810

I cite this example of the National Technical Information Service under the threat of privatization and being contracted out because it has taken place, this contracting-out process, with several Federal executive branch libraries already. The Department of Energy library has been contracted out; the Oceanographic Institute library, and a few others, HUD. Their library has been contracted out.

In one instance, the contract has gone to a foreign corporation. We are going to have our information services in the hands of foreign companies which, I think, creates a very serious problem. More important than that, whether they are foreign or domestic, to have information systems in the control of private enterprise raises many other issues which have been highlighted in testimony before several of the committees of the Congress.

We are against privatization. We think the Office of Management and Budget should call a halt to all of its efforts to contract out various libraries that are now under Federal jurisdiction.

In a report entitled, "Access to Government Information, Current Issues," the American Library Association has highlighted some other issues related to access to information. I make this report a part of the RECORD. They talk not only about contracting out of libraries, but restrictions on access to information that are increasing.

One of those restrictions relates to the Freedom of Information Act. They are charging fees that were not charged before. These fees have re-

stricted the use of the Freedom of Information Act.

In a report which is entitled, "Freedom of Information Act Fees," the American Library Association again highlights the fact that when Congress passed the amendments to the Freedom of Information Act recently in October 1986, they did not intend for the kinds of restrictions to take place that are now being imposed.

The Office of Management and Budget has insisted on having guidelines which exclude libraries from among those nonprofit educational institutions which are able to have information under the Freedom of Information Act reproduced, made available, at merely the cost of reproduction. Not to have libraries included is a gross misunderstanding of what libraries are all about or what they are for.

The report further states that under categories of users, only the educational institutions and representatives of the news media are allowed to obtain documents merely for the amount of money needed to reproduce the documents, and they are requesting that libraries be included.

The intent of Congress, which has recently clarified by the gentleman from Oklahoma [Mr. ENGLISH], included an analysis of the fee and fee waiver amendments to the Freedom of Information Act. He included in the CONGRESSIONAL RECORD of October 8, 1986, the following: He says, "A request from a public interest group, a nonprofit organization, a labor union, library or similar organization, or a request from an individual may not be presumed to be for commercial use unless the nature of the request suggests that the information is being sought for some private or profit making purpose."

In general, the gentleman is clarifying his own legislation to state that libraries are definitely among the agencies that are considered noncommercial users.

Also, I mentioned earlier that the postal revenue foregone appropriation is a major problem, a major concern of libraries at this point because of the fact that such ending of Federal subsidies for postal rates would mean that libraries would have to use other operating funds to fill the gap. They would have to spend more money on the transport of books via the Postal System, and I have a document here from the American Library Association entitled "Postal Revenue Foregone," which sets out the dangers and harm that would be done by the administration budget.

It also gives the funding history showing how the reduction of the postal revenue foregone appropriation has proceeded over the years and the impact of that on libraries.

I mentioned earlier the Library Services and Construction Act and a statement has been supplied from the American Library Association, which states exactly what the States would lose, State by State, under the present proposal by the President in his budget where he cuts the Library Services Construction Act to zero.

The States would lose a great deal of money and we have a statement, State by State, of what each State would lose.

The proportion of money supplied by the Library Services and Construction Act is a very small proportion of the total amount of money supplied for libraries. The States supply much more money, and the municipalities supply a great deal of money.

However, the small percentage of funds that have been supplied by the Library Services and Construction Act have revolutionized the way library services are provided in the States and localities. They have required a more systematic planning approach; they have certainly forced the libraries to focus attention on groups that are not served ordinarily, and they have provided the extra money needed to provide this service to people who are not ordinarily served.

The State-by-State loss in services is noted, and we have also a report entitled, "What the States Would Lose Under the Public Library Services and Construction Portion of the Library Services and Construction Act," if we do proceed to enact zero in the budget, as the President has requested.

Again, we are happy to observe that the Committee on the Budget has already restored much of the money that the President proposes to cut. But if that should happen, the States would lose a great deal of money for library construction, as well as for library services.

The States will also lose a great deal of money in the provision of interlibrary cooperative services. Libraries are not able to supply individually the enormous amounts of books and other materials, microfilms, various items that are necessary. They cannot supply that themselves. No individual library stands alone. They have an elaborate network of interlibrary cooperation which enables the person in the smallest town in America to draw on the resources of the largest research library in the Nation.

These interlibrary cooperative arrangements will be greatly hindered if the budget cuts proposed by the administration were to go forward, and there is a State-by-State indication of the losses that would be experienced.

Also, in the area of high education, training for libraries, training grants which supply the funds to train librarians who are very badly needed in certain areas, especially minority librarians would greatly suffer if the

present appropriations process goes forward.

Although \$5 million has been authorized, the last appropriation only provided \$1 million. We are hopeful that the appropriation will be closer to the authorization, since the authorization itself is so very small under the library training provisions of the Higher Education Act, title 2(b).

This is of great concern to all libraries who are very much in need of the graduates of the library schools who use these Federal funds.

In closing, I would like to emphasize the fact that the concerns of libraries and the library profession are not unrelated to the priorities of the Nation. We have been spending a great deal of time, as we should, on the question of making America more competitive. In the process of discussing how we can make America more competitive, we have focused on the American educational system from A to Z, from kindergarten to the graduate programs.

I think this is appropriate also. In the competitiveness bill, which is now wending its way through various committees, the competitive bill will have a very strong component of education. In my committee, the Committee on Education and Labor, certainly has worked hard to guarantee that the provisions in the competitive legislation are sound and those provisions are relevant.

□ 1820

The provision of libraries is certainly relevant to any educational process. When we stop and consider the fact that any American who gets a Ph.D. degree would be involved in the educational system for about 20 years, a person who chooses to go through the entire process from kindergarten to the doctorate degree would be in school, in the formal education system, for about 20 years. However, an American who lives to be about 65 would be spending his entire life using libraries, either in the formal educational apparatus or outside. Certainly 45 of the years would not be in relation to any formal educational institution. He would be related to some library or some system, if that person is an educated person, for 45 of those 65 years.

Secretary Bennett has acknowledged the fact that libraries are very important. Unfortunately, Secretary Bennett has not followed his acknowledgment with support for greater funding for libraries, but I would like to quote from Secretary Bennett's statement that he made recently, where he says that reading is one of the vital elements of education and "one point cannot be repeated too emphatically. Children must have access to books. Every elementary school should have a library. Every classroom should have its own minilibrary or reading corner,

and parents and schools should make sure children know how to use the public library. A guided tour of the public library should be made a part of kindergarten."

The Secretary goes on also to say that "youngsters need ready access to books. The school library is evolving these days, and the currently fashionable title is library media center. I am a little wary," says the Secretary, "of this term. While it is true that in this high technology world our children must discover early on how to get access to information and should certainly learn how to conduct independent research, it is of critical importance that girls and boys acquire the habit of reading. School libraries should find children reading biographies and histories and novels and science fiction not simply looking for a fugitive fact or a random quotation. The librarian should be an integral part of the instructional staff. By leading children to good books, by sponsoring incentive programs and offering visits, the librarian can play an essential role in enriching the curriculum."

That is the end of the quote by Secretary Bennett.

I am sure the Secretary, if he were consistent, would support the request that the American Library Association is making that chapter 2 of the Education Consolidation and Improvement Act be revised to restore libraries as a priority function. Instead of having 32 other functions which school administrators may use the funds for, they are urging that libraries be again made a priority function.

If we are to go forward with our concern for competitiveness or improving our competitive position in the world, certainly the reauthorization of chapter 2, which is now in process in the Committee on Education and Labor, should concern all of us. It is not just a matter for the Committee on Education and Labor. Education undergirds our readiness in the commercial competitive area; education undergirds our readiness in the area of competition with the Soviet Union. Whether that competition is a short-term competition or a long-term competition, the decisive factor will be the degree to which our population is educated, and a vital part of that education, of course, is information from books and learning materials that are under the control and guidance of librarians and libraries.

Finally, the competitiveness position should take into consideration the fact that a request has been made via a joint resolution by Senator PELL and Congressman FORD. A request has been made for the funding of a White House Conference on Libraries. The joint resolution on the White House Conference on Libraries is Senate

Joint Resolution 26. It reads as follows:

Whereas access to information and ideas is indispensable to the development of human potential, the advancement of civilization, and the continuance of enlightened self-government;

Whereas the preservation and the dissemination of information and ideas are the primary purpose and function of the library and information services;

Whereas the economic vitality of the United States in a global economy and the productivity of the work force of the Nation rest on access to information in the postindustrial information age;

Whereas the White House Conference on Library and Information Services of 1979 began a process in which a broadly representative group of citizens made recommendations that have improved the library and information services of the Nation, and sparked the Nation's interest in the crucial role of library and information services at home and abroad;

Whereas library and information service is essential to a learning society;

Whereas social, demographic, and economic shifts of the past decade have intensified the rate of change and require that Americans of all age groups develop and sustain literacy and other lifelong learning habits;

Whereas expanding technological developments offer unprecedented opportunities for application to teaching and learning and to new means to provide access to library and information services;

Whereas the growth and augmentation of the Nation's library and information services are essential if all Americans, without regard to race, ethnic background, or geographic location are to have reasonable access to adequate information and lifelong learning;

Whereas the future of our society depends on developing the learning potential inherent in all children and youth, especially literary, reading, research, and retrieval skills;

Whereas rapidly developing technology offer a potential for enabling libraries and information services to serve the public more fully; and

Whereas emerging satellite communication networks and other technologies offer unparalleled opportunity for access to education opportunities to all parts of the world, and to individuals who are homebound, handicapped, or incarcerated: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

Mr. Speaker, I read the rhetoric of the resolution because I think it in very compact terms states the overriding impact of libraries in our complex information age society.

Mr. Speaker, the celebration of National Library Week has been acknowledged by several of my colleagues. They have joined me with statements, and their statements will be submitted for the RECORD under general leave. Included are statements by the gentleman from New York [Mr. BIAGGI], the gentleman from California [Mr. BROWN], the gentleman from California [Mr. DYMALLY], the gentleman from Oklahoma [Mr. INHOFE], the gentleman from South Carolina [Mr.

SPRATT], and the gentleman from New York [Mr. RANGEL].

Finally, Mr. Speaker, I hope that in all of our deliberations, as we go forward in this year, whether it is in the consideration of the appointment of the new Librarian of Congress or the passage of a bill to make America more competitive, we will understand that in the age of information libraries have a new and very dynamic significance.

There was a time when astronomers were considered people to be engaged in low-energy activities of no significance to the general populace, but astronomers and physicists have suddenly become the most important people in our age of space technology. I hope we do not make the same mistake of ignoring too long our libraries and having them die at a time when they would be of the greatest need.

Mr. BIAGGI. Mr. Speaker, I rise today to pay tribute to one of this Nation's greatest institutions and greatest resources—our libraries. We are struggling with the goals of increasing adult literacy and American competitiveness. We must continue to focus on libraries as a major contributor in meeting these goals. I was privileged to have been visited yesterday by representatives of the New York Public Library and the Yonkers Public Library, during our celebration of National Library Week during this important year—the year of the reader. It is indeed fitting to have an opportunity to recognize the numerous contributions that libraries make to this Nation, both through Federal and private funding.

Let us look first at the basic contribution our libraries make—access to information. We as a nation, tend to take for granted the fact that we can walk into our local public library and have at our fingertips information on every topic imaginable. This was not always the case; in fact just 30 years ago only 56 percent of our citizens had library access—now that figure is almost 100 percent, whether through public libraries, school or university libraries, or private libraries. For most Americans, libraries are the major educational institution available for the vast majority of their lives—their life outside of the classroom. As we celebrate this year the 200th anniversary of the Constitution, we are reflecting on those events and circumstances which enable our democracy to remain stable and secure. Since the power of a successful democracy lies in the hands of its citizens, a successful democracy demands an informed citizenry. What better resource of information do we have than our libraries? Our libraries have helped in maintaining an educated citizenry and therefore a successful democracy. It is important, therefore, that we examine the Federal role in preserving our libraries.

For the past 6 years, the administration has proposed to eliminate all Federal funding for library programs at the school, university, and public library levels. For the past 6 years, we have resisted this request and must continue to do so. Our Federal support for libraries remains a sound and necessary investment. Let me take a moment to outline what that money

does in my district of the Bronx and Yonkers in New York.

The New York Public Library is using Federal funds to develop a much-needed cooperative data base and shared cataloging system which creates a machine-readable regional union catalog for public libraries. As our technology increases, it is important that we use this technology to increase our access to information. The New York Public Library initiatives prove essential in this task. The New York Public Library also receives Federal funding for its outreach project, which provides enriched and relevant library services in disadvantaged neighborhoods and throughout New York, especially where residents lack fluency in English. One of these services is free English-as-a-second-language classes, offered throughout the Bronx and Manhattan. These classes are always filled within a few hours of opening registration. Because of recent changes in the immigration law, there will be a further increased demand for these services.

In Westchester County, Federal funding for libraries helps support many literacy programs. The Public Library Collaboration with Literacy Volunteers of Westchester County creates and strengthens ties between literacy volunteers and libraries. Tutors are assigned on an individual basis to those who need literacy skills improvement. Each tutor works with a student for the minimum of a year. Since these tutors are entirely volunteer, the only funding necessary in this program is for the purchase of materials and administrative costs.

Federal funding also provides Westchester County with Project Read, which encourages children aged 11 to 15 to develop their reading skills. Such an investment in reading will yield a significant return.

Library Services and Construction Act funds also assist the New York Public Library in providing its community information service. This service provides immediate and essential information about services in any New York neighborhood. Each neighborhood library keeps a directory of community services, which gives up-to-date information on more than 140 services including day care, complaint departments, tutoring, senior citizen organizations, and hotlines. These guides are printed in both English and Spanish.

LSCA also assists in funding a new microcomputer program, which provides neighborhood libraries with an Apple IIe microcomputer with color monitor and a printer. These microcomputers help open the world of computers to New Yorkers by providing programs in word processing, computer languages, accounting, and typing. Computer programs are also available in graphics, music, and adventure games. These microcomputers help ease the young and the old into our ever-increasing computer age, and provide many, who would otherwise never have the chance, the opportunity to experience computers.

LSCA also funds the New York Public Library's learner's advisory service [LAS]. LAS provides specially trained advisers who work in several New York Public Library branches who help those who are seeking new skills or attempting to further their education. LAS will provide personal attention to help identify the

needs of and the existing educational programs available to the prospective student. LAS helps point people in the direction of completing their high school diploma, improving their English skills, upgrading their present job qualifications, and securing new vocational skills.

Under title I, LSCA funds 24 adult learning and literacy projects in libraries across New York State. Without this funding many opportunities for obtaining literacy and strengthening other skills would be eliminated.

New York libraries also receive funding under title II of the Higher Education Act. These funds go to Columbia University, Long Island University, and St. John's University to provide grants and fellowships for minority and/or economically disadvantaged students to pursue a career in libraries. New York research libraries that receive Federal grants under title II include the American Museum of Natural History, Columbia University Libraries, the New York Public Library, and New York Botanical Gardens. It is easily seen that Federal assistance to libraries has a far-reaching and necessary impact on the education and literacy skills of our citizens.

Not only is it essential to maintain current funding for library programs, it is also essential that we increase funding under the National Endowment of the Humanities for libraries, especially under titles IIB, IIC, and V. A most critical crisis confronts our libraries today—the problem often referred to as “brittle books.” Brittle books are material published containing self-destructive acids. Almost everything published since the mid-19th century has been published on this paper. In the words of Vartan Gregorian, the president of New York Public Library, in his testimony before the House Postsecondary Education Subcommittee,

It is ironic that the production of cheap paper—which helped democratize the written word—also bore the seeds of its own destruction.

It is vital that we invest in preserving the many endangered books, journals, periodicals, and papers that contain the heritage of mankind, and that are now facing extinction due to this grievous problem.

We must also increase our funding for foreign language components in our libraries. Currently, we are working as a nation to increase our competitiveness in foreign markets. Language skills are necessary to preserve and increase our communications and competitiveness.

Besides increased Federal funding for our important library programs, I would also like to request support for another White House Conference on Libraries. The first and only such Conference was held in 1979. Among the many recommendations this Conference yielded was the request that a similar Conference be held every 10 years. In order for adequate preparation for a 1989 Conference, we must act now to establish a White House Conference on Libraries. A national conference provides a catalyst for improvement of services at the local, State, and National levels, especially in the areas of resource sharing and multilibrary cooperation and broad-based literacy programs. That is why I am proud to be a cosponsor of House Joint Resolution 90, and I

urge all of my colleagues to join with me to enable library users, librarians, library policy-makers, and public officials to assess the capacity of our libraries to serve the learning public and to encourage sound, long-range, community-based planning for library services.

This year's American Library Association theme is “take time to read.” However, I urge us to take time to reflect—on our libraries, the services they offer us and the potential they promise us. We talk about adult literacy. What better environment to teach our adults to read and write than a library. After they have mastered literacy skills, they are surrounded by opportunities to use them. We talk about competitiveness—one of the keys to this competitiveness is knowledge. Libraries hold a wealth of knowledge and we must ensure that our citizens have continued access to this wealth. I remain committed to keeping library doors open, to keeping library information accurate and up-to-date, to preserving our vast library resources, and to providing each and every American the opportunity to learn, grow, and dream through the books and other resources our libraries provide.

Mr. MARTINEZ. Mr. Speaker, I rise today to recognize our public libraries and the librarians who serve our Nation. It is not often that we recognize the value of our libraries, and the importance they have for our society. National Library Week is therefore an important time for the Nation to reflect on the value of our libraries and give attention to ways we can better sustain our library systems.

The Library Services and Construction Act [LSCA] represents a minimum Federal investment in the libraries of this Nation. It is vital to our Nations' libraries because it provides moneys for important programs that limited local and State funds would not be able to accommodate. LSCA dollars allow libraries to be innovative in their approach to providing community services.

One priority for the LSCA is to provide moneys for the extension and improvement of library services to rural and other communities which are unserved or underserved by libraries. In my home district we have a special program called the community access library line. This program is a multilingual information and referral service that assists callers in locating human services, community organizations, community events, and government officials and agencies. The service serves 15 million people in the southern California area and answers over 40,000 questions on a yearly basis. I highlight this program because it is a service that our Los Angeles Public Library System was able to establish because of LSCA moneys to initially start the program.

Important library services for the elderly, the disadvantaged, and other members of our society for whom the provision of such services demands extra effort or special materials and equipment are also included in the LSCA. Another program that was initiated because of money provided the LSCA is the OASIS Program of the L.A. Public Library System. The Older Americans Special Information Service [OASIS] operates a specialized bookmobile that provides in-home services to shut-ins or to residents in convalescent homes and other care centers.

Another area in which the LSCA assist libraries is in the construction and rehabilitation of library facilities. LSCA funds enable libraries to undergo renovations that provides access to physically handicapped individuals.

There are many ways in which the libraries in the 30th District of California and surrounding areas have benefited from moneys provided by the Library Services Construction Act. Mr. Speaker, for the sixth straight year our President has recommended that the LSCA Program be terminated by Congress. In this age of information it is inconceivable that he would seek to end a program so essential to our Nation's libraries. It is the LSCA that has funded and stimulated the start of many innovative library programs. If we diminish in any way the funds available to libraries, we diminish our access to information, and thereby diminish our hope for the future.

Mr. RANGEL. Mr. Speaker, I stand with my colleague, Mr. OWENS, in recognition of National Library Week. I like to pride myself in noting the very special relationship that I have with the librarians in New York City, and feel very privileged to express my wholehearted support for full funding of the Library Reconstruction Act and other library services.

Mr. Speaker, as in earlier years, the administration has recommended a termination of the Library Services and Construction Act. While Federal funding for these programs are but a sliver in the Federal economic pie, the Reagan administration has undoubtedly reserved this piece for some more deserving program. What that program could be is beyond my comprehension.

Dollar for dollar, I would say that the minimal amount of Federal moneys requested to support library programs provide unending and essential services. The New York Library System, while it depends primarily on private support, utilizes its Federal moneys to offer a wide variety of services to 5 million people of all ages in the boroughs of New York City. It is very important to note that our system offers literacy tutoring, English language instruction, and special services for the unemployed and the disabled.

Finally, it has been brought to my attention that the New York City branch libraries have information centers designed to meet the needs of individuals seeking personal information on drug and alcohol abuse. As the chairman of the House Select Committee on Narcotics Abuse and Control, I feel this is a true example of the essential services that libraries provide to the communities that they serve.

I am encouraged by Mr. OWENS' yearly observation of National Library Services Week. Libraries are havens of our past and are harbors for our future. Libraries provide alternatives to young people interested in making positive use of their time and encourage continued learning by all citizens. As our society becomes increasingly dependent on information and technology, it would be a step backward to eliminate funding for the most basic source of information—our libraries. I strongly support full funding for all library services and hope my colleagues will follow suit.

Mr. DERRICK. Mr. Speaker, the South Carolina State Library has recently dedicated a new library to serve the blind and physically

handicapped. Over 8,000 South Carolinians avail themselves of this special service provided by the State library in cooperation with the Library of Congress.

Most of us have access to bookstores and libraries with large book collections. This is not true for the print handicapped. Their window to the world is often limited to the talking books, braille books, or books in large print used in this program.

The Library of Congress plays a pivotal role in the provision of these services. They provide most of the reading materials and the necessary equipment. Their leadership enables the South Carolina State Library and other libraries to develop local programs to meet the reading needs of their citizens.

Access to information should not be denied anyone due to a handicapping condition. Everyone has a right to read.

Mr. INHOFE. Mr. Speaker, I thank my distinguished colleague from New York, Mr. OWENS, for yielding to me to recognize the outstanding services of our Nation's libraries.

America's libraries are one of our greatest resources. The books they house chronicle the history and culture of the United States and the world. They are a measure of our literacy, our knowledge, and our understanding of the world.

Too often we take for granted the privilege we enjoy in this great Nation, being able to walk into a library and read any book on any subject. It is through the expression of varying view points that we derive our strength as a free and Democratic nation. No institutions are as essential in this free expression of ideas as libraries. Citizens in Eastern bloc countries long for access to books written by their own countrymen deemed subversive by their repressive governments.

While mayor of Tulsa I had the honor and privilege of serving as a member of the Tulsa City-County Library Board for 6 years. As such I became even more appreciative of the great service our libraries provide.

The Oklahoma Department of Libraries has recently established 65 literacy councils statewide to combat illiteracy. The program already has more than 4,000 volunteers trained as tutors.

The past few years have also seen an enormous increase in the use of Oklahoma's libraries. Since 1983, circulation has increased by 860,000: That's one extra circulation for every fourth person in the State. At this time of budget constraints in our State, our libraries should be commended for the tremendous job they are doing under less than ideal circumstances.

I encourage all Americans to take advantage of this great national resource by going to their local library and reading a book, and I extend congratulations to the American Library Association on the 30th annual observance of National Library Week.

Mr. DYMALLY. Mr. Speaker, I am grateful to our colleague MAJOR OWENS for calling this special order on libraries today, and I am honored that he has asked me to say a few words.

My concept of government is that it exists to make life better for the people of the country. Government should be a service to the people, and should support those things that

help the people. The claim is made to us that many, many things have this level of importance and deserve financial support from the government. Constantly exposed as we are to the effort to prove the importance of a host of efforts, we run the danger of not grasping the very fundamental importance that our citizens themselves place on libraries.

I think I can illustrate that importance by relating to my colleagues an event that occurred this past Christmas at the San Jose, California public library. It happens that in San Jose it is necessary to supply a home address in order to receive a library card. It is probably not well known except to librarians in large urban areas that while the homeless may be lacking for many of their rights, they try to preserve the right to read. They apply for library cards with some regularity, and even if turned down, they spend parts of their days and evenings in libraries reading.

One evening a man, his wife, and several young children came into the library. The husband approached the checkout desk and asked the librarian if each of his family members could apply for a library card. The librarian gave the man the necessary paperwork to fill out. When it was returned, the librarian saw that no one had listed an address. A second look at the family made it clear enough to the librarian that the whole family was without a home. The father, seeing the librarian hesitate, explained that the library cards were to be the family's Christmas presents this year. The librarian wrote in the address of the shelter for the homeless and issued each of them a library card.

When you think about it, those library cards were substantial gifts, even though their cost was negligible. The cards were a key to a world where, for a while at least, the family could find respite from their troubles. They did not have access to material wealth. Even their access to the fundamental needs of subsistence was at times in question. But those library cards opened the door to the wealth of human ideas contained in the library's volumes. Many a person has considered himself rich by virtue of having access to the printed word. And so it was with these parents and their children.

But while their station in life may have been somewhat unusual, although not as unusual as it should have been, their attitude was really not at all unusual. They share a view that is widely held by our constituents. It is the view that prompts thousands of volunteers across our country to work with the illiterate so that they might have the gift of reading. It is the attitude that prompts other thousands across the country who, for whatever reason, entered adulthood unable to read, to seek out literacy programs. Our constituents view their access to libraries as something bordering on a basic right.

As he has done in the past, the President has asked for no funding for library programs either under the Library Services and Construction Act or under the Higher Education Act. Moreover, the President has proposed a rescission of some funds already appropriated for library services. If both programs were fully funded at the authorized level, the appropriated amount would come to less than \$200,000,000. That amounts to about 86

cents per citizen. For something considered so highly by our constituents that they make use of it even when they lack such basics as shelter, I think 86 cents is not excessive. I support a restoration of funds to the authorized levels for library programs. Support of libraries is one of the more direct ways we can use our constituent's tax dollars to tangibly benefit those constituents. I would urge my colleagues to respond to the wishes of the constituents by spending that 86 cents per person to give our Nation's libraries a helping hand.

Mr. BROWN of California. Mr. Speaker, I rise today in observance of National Library Week, and to remind all of our citizens of the debt we all owe to the libraries and librarians of this country.

It is important to remember that libraries are institutions which are repositories, but it is the librarians who, by collecting, arranging, and disseminating the wealth of those repositories, make them living institutions.

Our libraries are the storehouses of the wisdom, knowledge, and culture of our own and other civilizations. They carry a trust far beyond that which they are normally thought to own. The libraries of this country are markedly different from those which exist, or have existed, in totalitarian states. In the United States, it is expected that libraries will preserve all of the opinion and thought published anywhere, no matter how repugnant some of these may be to elements of our society. Our libraries are supposed to be the unfettered, unexpurgated, and uncensored bastions of freedom of expression and ideas.

Our libraries differ from those of many countries, not only because the range of what they collect and preserve is unbounded, but also in the breadth and kinds of services we expect, and demand, from our librarians. In many other lands, the collections of libraries only reflect the accepted or authorized information which is not in conflict with the governments of those lands. In many of those countries whose libraries do reflect diversity of thought and opinion, not all citizens are allowed access to that which is considered "subversive." Here, it is assumed that all citizens are assumed to be entitled to have access to whatever they wish. In many other countries, only the privileged are provided with any library service. Not so in America.

In addition to being the collectors and organizers and disseminators of information, librarians in the United States have become surrogate educators, helping their users to find the information which they need. We have come to depend so heavily on our librarians for performing these dual roles that we often take for granted how well they do it, and how often they must perform well under trying circumstances—often brought about by an inadequacy of funding. Americans have come to expect much from our libraries and librarians, and our expectations are so often met that we have become somewhat spoiled by our abundance of material and service.

After a fashion, our libraries, and the services which they provide us, are a true symbol of democracy at work. Given their importance, I urge our citizens to support the libraries which serve them, and to join with me in hon-

oring the members of the noble profession of librarianship.

Mr. GREEN. Mr. Speaker, I should like to commend my colleague from New York, Mr. OWENS for his leadership in sponsoring this special order. One of this Nation's most precious educational and cultural resources is its libraries. For young and old, rich and poor, black and white, and everyone in between, our libraries stand with their doors open to provide the seeker with information to answer questions, fuel dreams, and inspire action. In past years we have recognized the important role that libraries play in our society and have taken the responsibility for providing continued funding for library programs. We must continue our commitment and address the issues facing us this year that affect libraries.

Once again, the Library Services and Construction Act is being threatened with termination. In the past, strong bipartisan support has saved this program and the vital services that it provides. Under LSCA libraries throughout the country have been able to provide special services for the blind and physically handicapped, job information centers that provide information on career opportunities and job-hunting techniques, literacy centers that enable adults to receive one-to-one tutoring, outreach projects which provide services to the disadvantaged and minorities.

Also of great importance is funding for research library resources. Research libraries preserve our Nation's heritage by maintaining collections which might not be preserved were these funds not available. Without this funding libraries will be severely handicapped in their attempts to improve access to important research documents, preserve 19th century documents that are disintegrating and acquire new research materials.

The administration has again proposed elimination of the postal revenue forgone subsidy. Eliminating this subsidy would critically impair the ability of libraries to distribute educational and informational material to the public. If the revenue forgone postal subsidy is eliminated, our libraries would have to devote to postage, money now spent on books and other library resources.

For fiscal year 1986 and fiscal year 1987 the administration proposed elimination of funding for the Library Services and Construction Act. My colleagues and I on the Appropriations Committee and in the full House fought these ill-advised and short-sighted cuts and maintained funding. We have had to make difficult choices over the past few years in our attempts to reduce the budget deficit. However, our country's strength depends in large measure on its ability to support the educational resources that benefit all of its people. Let's continue to give our full support to our libraries.

Mr. RAHALL. Mr. Speaker, this is National Library Week and I would like to recognize and commend all librarians in West Virginia and throughout the Nation who serve in public, county, and academic libraries at all levels.

It was my pleasure to meet with five members of the West Virginia Library Association yesterday to discuss issues of mutual concern which are of special interest during this, the 100th Congress. We discussed the need to

reauthorize chapter 2 of the Education Consolidation and Improvement Act; funding for titles II-A and II-D of the Higher Education Act, which will significantly benefit West Virginia's academic libraries; funding for titles I, II, III and VI of the Library Services and Construction Act, which pertain to library literacy programs; the ever-growing difficulty libraries face in gaining access to information by and about the Federal Government; the postal revenue forgone subsidy; the loss of general revenues sharing; and telecommunications rate containment. Clearly, America's libraries have a great deal of legislative debate to follow during this Congress. My five visitors—and I am sure many of my colleagues received library related visitors this week—were doing their part to influence that debate, and I appreciate their diligence in keeping me advised.

In these times of fiscal restraint, the stimulus of Federal funds is required for the development of quality library services. Public libraries are a low priority in most State and local budgets because they are not regarded as "essential" services such as police or fire protection. In addition, many States or localities have insufficient incentive to invest in activities and services of regional or even national impact, such as interlibrary loan programs or information networks using new technology. A number of important library projects, especially those serving special needs groups, would cease to exist without Federal funding. Disturbingly, the situation in my congressional district is bearing witness to the fragile existence of libraries in America. Due to the loss of general revenue sharing funds, two of the eight counties in my district have, out of necessity, eliminated funding for their public libraries. This is a tragedy for the residents of Mingo and Wayne Counties. Will other counties soon follow? Certainly the additional loss of Federal support would have similar repercussions—in West Virginia and throughout the Nation. And the loss of a community library is a great loss to each individual in that community.

With a relatively modest investment of Federal funds, quality library services can be made available throughout the country. Federal aid would enable communities to adopt the same information systems—computerized bibliographic networks—nationwide to bring most libraries up to minimum standards and, to acquire new computer-based forms of information technology that would greatly increase the quality and range of services their libraries could provide.

Federal aid was essential to the development of interlibrary loan activities and other innovative practices in the past, and now represents essential "seed money" for the future development of the library as a community information center. Federal funding can help libraries to maintain current services. Hopefully, Federal funding can go further to promoting literacy; improving the adequacy of library resources in low-income or sparsely-populated areas; and, assisting libraries to adapt to the revolution in information technology in the 1980's.

Mr. MAZZOLI. Mr. Speaker, a community bereft of a solid, functioning, and complete library system is a community in danger of

having its light of knowledge, cultural awareness, and career improvement extinguished.

I freely confess that my personal experiences with the public library in my home district, the Louisville Free Public Library, color and influence my feelings about the public library systems of America.

I recall with undiminished pleasure the splendid times I spent as a youth browsing the book shelves at the Louisville Free Public Library's Highland Branch.

I visited exotic and mysterious foreign lands. I rode balloons around the world, I survived many a shipwreck at sea—all without leaving the safe confines of my chair at the Highland Library.

And, in a slightly different context, the library system has been a positive influence on my two children.

Michael and Andrea—now talented young adults and college graduates—recall to this day with pleasure and warmth their visits to the main branch of the Louisville Library to listen, wide-eyed, to the stories told by Mrs. Barbara Miller, whom we fondly called "The Storytelling Lady."

How much of our children's intellectual formation, literacy, and solid value system is attributable to Mrs. Miller and how much to Helen and me—their parents—may be debatable. What is not debatable, though, is that Michael and Andrea were, at Mrs. Miller's knee, exposed early in their lives to the beauty, mystery, charm, and wisdom of the printed and spoken word. Future generations of Michaels and Andreas will not have these same opportunities unless America's library system remains strong and vibrant.

In another way, the library has played a pivotal role in my family's life. My late father, who came to this country and to Louisville from Italy in 1914, did not have a chance to receive much formal education. He completed about seven grades of school and then went to work as a tile and marble worker.

Dad received the rest of his education from the public library in Louisville and the library located in any city where he was living and working at the time.

I reflected on dad and the Louisville public library system in comments which I prepared in 1979 for the book by Whitney North Seymour, entitled, "For the People, Fighting for Public Libraries":

Many times over the years, dad told me that, in his judgment, he was "Americanized" by the free public library system in the city of Louisville. What dad meant by this, of course, was that the libraries enabled him to gain the knowledge and the appreciation of things around him which he was unable to acquire in the formal setting of a classroom.

The public library system enabled him—a man of few means—to grow socially and intellectually.

The free public library system also gave my father the necessary business background to open and run successfully, with mother's help, a small tile, terrazzo, and marble company, to send his children to reputable schools and to become a respected, productive citizen of his community.

It is evident from the personal experiences I have described here that, simply stated, I love

libraries and I deeply appreciate the opportunities they afforded me—and to my children and family—to grow intellectually and socially.

And, so, as we observe the 30th anniversary of National Library Week, it is appropriate to speak of the important contributions libraries have made to each of us, over our lifetime and to pledge that the generations to come will be permitted to share these same experiences.

In this connection, I am pleased to help guarantee a solid library system for future generations by cosponsoring House Joint Resolution 90, legislation requesting the President to convene a White House Conference on Library and Information Services. Such a conference—bringing together library service providers as well as library users—will help libraries develop programs and methods adaptable to the new information age and will develop strategies allowing libraries to obtain the necessary personnel and financial resources to meet this challenge.

Libraries are the intellectual, the social, and the economic underpinnings of any community entitled to be called a community. And, even in this most stern of budgetary times, we must provide generously for our public library system.

Mr. HALL of Ohio. Mr. Speaker, I take this opportunity during National Library Week to call attention to the importance of libraries to our Nation. Although library week lasts only 7 days, the rewards from libraries can last a lifetime.

Maïmonides said, "God grant that I may never consider my education so complete that I cannot undertake the study of new things." The knowledge made available through libraries provides the opportunity to make the study of new things an infinite possibility.

The Dayton and Montgomery County Public Library serves my district with a main library and 19 branch libraries, a bookmobile, and two vans that deliver novels to those who are unable to leave their home. With 1,450,000 volumes in its own collection, the Dayton Public Library makes additional volumes available through an interlibrary loan system.

Another important library within my district is the Roesch Library of the University of Dayton. It maintains 935,000 volumes which may be used by students and the general public.

The Dayton Public Library as well as the University of Dayton are both Federal depository libraries. This means that the libraries maintain books and pamphlets published by the Federal Government. The University of Dayton library specializes in Government publications related to commerce and education.

A third important library in my district is the Learning Resources Center of Sinclair Community College. This collection, which is housed in a beautiful new facility in downtown Dayton, is also available to students and the public.

The libraries in Dayton and across the Nation serve a vital role in spreading knowledge to our citizens. With my deepest appreciation I salute the Nation's libraries during National Library Week.

Mr. TALLON. Mr. Speaker, I am pleased to join with my colleagues in calling attention to the Federal Government's critical impact on

the quality and breadth of library services available to all of us. It has been said that libraries are not made; they grow. Yet this ability to grow both reflects and depends on our willingness to meet the informational and technological challenges of our age.

Adequate, up-to-date facilities are needed by our Nation's public libraries if they are to meet the informational needs of our citizens. Modern technology is changing forever the way libraries are constructed. I am extremely pleased that title II of the Library Services and Construction Act provides assistance in the groundbreaking ceremony for a new county headquarters in Darlington County, SC. This building will be a source of community pride for years to come. The Sixth District has had two other title II projects in recent years in Clarendon and Dillon Counties.

Yet in a literal as well as figurative sense, we have just broken ground. There is a clear need for many other public library construction projects. It is vital that we continue funding LSCA title II at an adequate level in order to encourage communities to provide new public library facilities. Although LSCA funds are not enough to cover the total costs, they serve as a necessary catalyst for local efforts.

Mr. Speaker, I hope my colleagues will join me in support of adequate funding for library services and construction. Our libraries house more than books, they house our Nation's future.

Mr. FAUNTROY. Mr. Speaker, I am pleased to join in this special order on libraries organized by my distinguished colleague, Congressman MAJOR R. OWENS, himself a professional librarian.

This special order occurs as we celebrate National Library Week and on the same day that the American Library Association is engaged in its annual legislative day. This combination of events, focused on the importance of libraries as institutions in our democratic society and in the lifelong educational enterprise, provides an opportunity to focus attention on issues of legislative and public policy oversight impacting on libraries and information science.

Mr. Speaker, yesterday at a session of an ongoing dialog on black-Jewish relations sponsored by the American Jewish Committee and the Greater Washington Council of Churches held at the new campus of the Howard University Divinity School, our host, the dean of the chapel and professor of social ethics, Dr. Evans Crawford, remarked that the hallmark of an educational institution is its library. Dean Crawford, an educator and theologian of great wisdom, chose to emphasize his pride in the library while introducing the dialog participants to the new facilities of the Howard University Divinity School.

I don't know if Dean Crawford had National Library Week or this special order in mind as he made his statement on the importance of libraries. I do know that his comments were timely and reflective of the findings of the Carnegie Foundation for the Advancement of Teaching which has identified the improvement of college library resources as a critical goal in achieving excellence in our institutions of higher education. Through title II of the Higher Education Act, Federal resources have been allocated to enhance the collections of

lacking college libraries, to provide fellowships to students studying library and information science, to assist academic libraries in making information more accessible through new technologies, and to support the procurement of foreign periodicals not readily available in the United States of America.

At the community level, the Congress through the Library Services and Construction Act [LSCA], has recognized the importance of libraries in our communities and in the lifelong process of continuing education. This Federal investment in grassroots informational resources is essential because the dollars allocated under the LSCA are utilized to fund library programs that otherwise would not be available to our constituents. For example, the Library Services and Construction Act makes library services attainable for the elderly, the economically disadvantaged, and other citizens for whom the delivery of information services demands special effort, specially designed materials and equipment. The physically handicapped are also assisted by the LSCA. Through LSCA rehabilitation, renovation, and construction projects are undertaken to make libraries more accessible to the physically handicapped.

Still another of the very exciting and enriching services provided by the Library Services and Construction Act are the interlibrary and cooperative networks that have been established. These networks enable libraries to establish informational linkages across cities, counties, and States expanding the horizons of knowledge.

Mr. Speaker, in light of the need for information in our society, and in view of the potential for expanding our access to information at a relatively low level of Federal investment, I am saddened by the reality that for the sixth year in a row the President has recommended that the LSCA be terminated by Congress. In a democracy, information must be accessible to all. Without access to information, the effective exercise of the voting franchise is put in jeopardy. All of our citizens have the right to the opportunity to gather the information they want and need. Mr. Speaker, I am confident that we will again reject the President's shortsighted recommendation to eliminate the Library Services and Construction Act.

Finally, I want to express my appreciation to our colleague from New York, Congressman OWENS for focusing our attention on the important role of library and information science in a democratic society and in the life of our educational institutions.

Mr. SPRATT. Mr. Speaker, it is a pleasure for me to join my colleagues today in recognizing the important contributions public libraries have made to this Nation. This is National Library Week and efforts will be made through various activities and events to increase public awareness of the vital role played by these institutions.

Public libraries provide a wide range of services to people of all ages. In recent years, however, more attention has been given to the fastest growing segment of our population—the elderly. In South Carolina, for example, it is estimated that by 1990, 11 percent of the population will be 65 years of age and

older. Our public libraries are committed to meeting the needs of our elderly.

Our senior citizens may experience special problems due to physical condition, decreased mobility or economic restraints. However, their interest and need for obtaining information and recreation remains the same. Libraries in South Carolina have experimented with new methods to reach this special group. Public libraries are striving to meet the varied informational needs of this growing population by using innovative techniques and outreach programs along with traditional library materials.

Library Services and Construction Act funds are often used to develop specialized programs for the elderly. I support this program, and I strongly support our public libraries. I hope that the activities held during this week will help to inform the public of the critical part played by public libraries in meeting the needs of the residents of our communities.

Mr. BRUCE. Mr. Speaker, I want to thank my colleague from New York, Mr. OWENS, for hosting this special order on libraries. I am pleased to join Mr. OWENS and my other colleagues in the House in observing National Library Week which properly recognizes libraries as an essential feature of modern society.

Although public library services are preeminently a State and local responsibility, the actions of the Federal Government have a significant impact on the size and quality of library services available to Americans.

Federal library support has measurably improved the quality of library services for Illinois citizens. An example of Federal funds being used to enhance the quality of library services in Illinois is Illinet. Illinet, the Illinois library network, coordinates the use of Federal funding and support to make it possible for all public libraries to receive at least one delivery per week. This makes it possible for a book to get from the very southern to the very northern parts of Illinois in just a few days.

The Lincoln Trails Libraries System, which serves east central Illinois, which I represent, has benefited from Federal funding as well. Through Federal funding they have been able to go on the offensive to provide library service to unserved areas in nine eastern Illinois counties. Their most recent success, in fact, occurred just yesterday in Oakwood Township where voters passed a referendum to support a new library. Successes like this are possible with a strong national commitment to libraries.

There are several Federal programs which have significantly enhanced the strength of Illinois public libraries in their ability to respond to identified local community needs. Specifically, titles IIB and IIC of the Higher Education Act of 1986 and titles I through III of the Library Services Construction Act have made a difference in Illinois. In many cases, the only funding some school libraries in Illinois receive for their media centers comes from the Education Consolidation and Improvement Act.

I ask my colleagues to resist attempts to cut these programs and to work together so that these programs are funded at adequate levels. In addition, I urge my colleagues to support House Joint Resolution 90 calling for a second White House Conference of Libraries and Information Services to be held by 1989. This second White House Conference is needed to focus continuing national attention

on library issues and the role of libraries in promoting literacy and productivity.

Our Nation's libraries and the outstanding individuals who work with them deserve the recognition that National Library Week will bring. Indeed, this celebration is but another reminder of how much Americans rely on our libraries and the people who make them work so well.

Mr. LELAND. Mr. Speaker, I want to commend my colleague, MAJOR OWENS, for providing the Members of Congress with the opportunity to address the House today in commemoration of National Library Week.

As chairman of the Subcommittee on Postal Operations and Services of the Committee on Post Office and Civil Service, I would like to speak to the impact of the revenue foregone appropriation on our library community.

Libraries, as a matter of sound public policy, are eligible for free or reduced postage rates under the Revenue Foregone Program. Congress is responsible for providing an appropriation to reimburse the U.S. Postal Service [USPS] for losses in revenues associated with providing these free and reduced postage rates for certain preferred mailers. Over the last several years, the administration, in the guise of addressing our deficit problem, has proposed the elimination of funding for the Revenue Foregone Program. Fortunately, we in Congress have been successful in fighting the administration's shortsighted effort.

The Committee on Post Office and Civil Service continues its fight for full funding for the Revenue Foregone Program because education and the ready availability of information is an integral part of an informed nation. Congress has traditionally provided reduced postage rates for libraries to enable them to serve communities across this Nation.

Reduced postage rates paid by libraries afford them the opportunity to better utilize their already scarce financial resources. Savings in postage allows them to purchase new materials to update their inventory and enables them to serve as a loaner service to other libraries. In addition, because of reduced postage rates, libraries have found it cost effective to mail materials to rural and sparsely populated areas as well as to older citizens who may be unable to visit their facility. This allows them to extend their service to people who might otherwise be unable to benefit from the tremendous resources available at our Nation's libraries.

We in Congress cannot abdicate our responsibilities to the beneficiaries of this program and we must continue to fight for full funding for this program and provide stable rates for all libraries across the country.

Mr. KOSTMAYER. Mr. Speaker, the purpose of commemorative weeks is to reflect upon the importance that the person, event, or institution being honored has on our people and our society. Once again we celebrate National Library Week and therefore, we ought not only look back on how our Nation's libraries have served us in the past, but also on how we wish them to benefit us in the future.

Libraries are far more than mere buildings where books are stored; they are a vital link between our citizens and the events taking place every day in the world. In this day of mass information, libraries play an ever grow-

ing role. In order to serve all aspects of the public fairly and efficiently we must continue to expand our library system and improve already existing libraries and their sources both physically and technologically.

Access to public libraries by the elderly, disadvantaged, and handicapped must be insured. These members of our society require services which involve extra effort on the part of library staffs, and special materials and equipment. It may also require renovations which permit the disabled use of libraries.

As technology advances, it is imperative that our libraries keep pace. Linking our Nation's libraries by computers and through other networks across city, county, and State lines will greatly increase the amount of information at the disposal of those who use our libraries. This needed linkage can transform even a small rural library into a vast resource center for many.

In order to carry out these programs we must continue to appropriate funding for the Library Services and Construction Act [LSCA], despite the fact that the administration has, for the sixth consecutive year, proposed eliminating all funding for this purpose. Though the budgets of our libraries are largely borne by State and local governments, Federal dollars are essential to the attainment of these goals.

If my colleagues would imagine for a moment just how difficult our jobs would be without the support of the Library of Congress and its staff, I'm certain we would all agree that the maintenance and development of our Nation's libraries is crucial to America's future.

Mr. SPENCE. Mr. Speaker, one of the major ills of our society is the alarmingly high rate of illiteracy. One out of every five Americans is considered to be functionally illiterate.

If we, as a society, are going to solve this problem, there needs to be cooperation among the many agencies involved in this effort. Public libraries, with the assistance of the Library Services and Construction Act, title I funds, have formed coalitions with other local agencies to develop cooperative literacy programs. There are 445,652 reasons to continue these efforts in South Carolina, for that is the number of our functionally illiterate adults.

Library Services and Construction Act, title IV funds will enable the South Carolina State Library to sponsor a 2-day seminar next month to further the development of local cooperative literacy programs.

Mr. Speaker, the economic well being of our country is being undermined by adult illiteracy. Of those unemployed, 75 percent lack adequate reading and writing skills. I salute our public libraries for their deep concern in this matter and I ask that this be placed in the RECORD, as an extension of my remarks.

Mr. MANTON. Mr. Speaker, this week we are celebrating "National Library Week" to recognize America's libraries. Since this is also the week in which the House of Representatives is developing a budget for fiscal year 1988, I believe it is appropriate to ask how our Nation's libraries fared under President Reagan's budget.

In his fiscal year 1988 budget, for the sixth year in a row, the President proposed zero funding for the Library Services and Construc-

tion Act (LSCA). This is the sixth successive year the Reagan administration has attempted to eliminate this vital program. This act enables libraries to serve disadvantaged citizens who otherwise would be unable to enjoy the resources of our Nation's libraries. LSCA funds are also used to build new library structures, purchase buildings, and renovate older structures. If Congress were to agree to zero funding for LSCA there would not be money for the Interlibrary Cooperation Program. Therefore, if a student in my district needed a book from a library in Detroit to complete a paper for school, the student would no longer be able to get access to that book. Americans have always believed in improving themselves by increasing their knowledge. In these challenging times, it would be foolish to limit our access to the knowledge and the wonders of the world which can be found in our Nations' libraries.

Mr. Speaker, I would like to take this opportunity to tell my colleagues about Queens Borough Public Library. The Queens Borough Public Library is the fifth largest library system in the country in terms of the number of branches. For the last 3 years, Queens Library has been first in circulation among the libraries of New York State. Furthermore, Queens Borough Public Library had the highest circulation of any city library in the Nation in 1985-86. Queens Borough Public Library has also been a leader in the Nation in developing innovative programs to better serve the public. Queens Library developed a headstart program to introduce preschoolers to books, 6 months before the Federal Head Start Program was established. Queens Library has also been a pioneer developing services to meet the needs of new immigrants, adult learners, and the functionally illiterate. Given these accomplishments, it is obvious that adequate funding for LSCA is vitally important to my district.

Mr. Speaker, America's libraries allow our citizens to grow, to learn, and to expand their knowledge. The cornerstone of a strong, prosperous, and competitive nation is an educated people. As the Congress shapes a responsible and fair budget, I urge my colleagues to continue our support for America's libraries.

UNITED STATES-KOREA TRADE

The SPEAKER pro tempore (Mr. MORRISON of Connecticut). Under a previous order of the House, the gentleman from Idaho is recognized for 60 minutes.

GENERAL LEAVE

Mr. CRAIG. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous material, on the subject of my special order this evening.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Idaho?

There was no objection.

Mr. CRAIG. Mr. Speaker, a critical pass has been reached in international trade with the Republic of Korea—a

critical pass both for Korea and for the United States.

The story of our own trade dilemma has become such a familiar refrain in this House that I do not need to tell it again tonight. However, the moral of the story bears repeating: We can no longer afford to tolerate foreign trade barriers to American exports. Congress insists on real and significant trade concessions from those who seek to take advantage of our open markets. We applaud the tough stance this administration has taken in trade negotiations, and we encourage our negotiators to stay tough. A promise and a warning: Congress will not only stand behind your efforts, but is ready and willing to rush ahead of you with trade reforms if it becomes necessary.

Turning to the Republic of Korea, I would first like to acknowledge the country's astounding economic success story. It is difficult to believe that just 40 years ago, the economy of the country had been virtually destroyed by the Korean war. As recently as 1960, Korea still had an underdeveloped, natural resource-based economy with an average per capita income of only \$100. Its exports were insignificant, and 86 percent of those exports were primary products—mostly farm goods.

In the mid-sixties the government changed economic strategies. Import substitution had been a priority, encouraging industrial development with domestic subsidies and import restrictions. These policies gave way to an export-oriented industrial strategy that has fueled a remarkable economic expansion.

Today, the Republic of Korea has an average income of \$2,000 and is one of the 12 largest trading nations in the world. Last year it had a surplus in its current accounts. For the past 5 years it has maintained an average annual economic growth rate of over 8 percent. It sponsored the 1986 Asian games and will attract visitors from all over the world in 1988 to the Olympic games in Seoul. And today, exports have grown to about 40 percent of Korea's product.

Projections for Korea in the year 2000 are glowing. The GNP is expected to nearly triple, and the per capita income to exceed \$5,000. By then, Korea will have graduated from the "newly industrialized countries" to join the ranks of "developed nations."

But with achievement comes responsibility. As a major international trader, the Republic of Korea shares the responsibility for—indeed, it has a vested interest in—maintaining a free international trading system. That means being willing to open its markets and further liberalize its economy.

No one familiar with Korea's history would argue that such changes will be easy. With an economy now geared to exports, Korea is extremely vulnerable

to international economic conditions. Despite the recent account surplus, Korea still carries a large foreign debt and debt service burden. In addition to economic challenges, Korea faces significant internal and external political challenges that will undoubtedly play a part in the country's economic choices.

But it is precisely because of these challenges that the international community has urged the Republic of Korea to further liberalize its economy and lower trade barriers. Movement in that direction would strengthen Korean industries and improve their competitiveness, making them better able to cope with the developing nations that will be entering the international market in the future. Furthermore, liberalization would forestall the kind of protectionism that Korea can ill afford as an export-driven economy.

I am not here to engage in "Korea-bashing." In the past, Korea has responded in good faith to United States trade concerns, and those responses are appreciated. However, there are still major areas of disagreement that must be worked out and commitments that require better policing on Korea's part. American exporters have not stopped pounding on congressional doors, demanding access to international markets; if anything, they are increasing.

Our trade negotiators will soon be meeting with their counterparts in Seoul. At this critical time in United States-Korea trade relations, when both nations face new challenges and contemplate major policy changes, Congress will be looking for the upcoming negotiations to strengthen an economic partnership that will benefit both the American and the Korean people. It is my hope the comments made tonight will send a message that even though Congress is currently busy with an omnibus bill focusing on the "big picture" in trade, we have certainly not lost sight of the "smaller picture" of our bilateral trade relationship with Korea.

□ 1830

Mr. Speaker, in all of this effort that the Koreans have put forward to enhance their economy, it is as I have mentioned, a remarkable story. In 1985, Korea was our eighth largest export market purchasing 3 percent of our total exports. In contrast, that same year the United States was Korea's No. 1 export market buying 36 percent of Korea's total exports. The United States-Korea trade deficit though has been growing rapidly over the past few years. The 1981 deficit of \$200 million grew to over \$4 billion by 1986. Mr. Speaker, that is why I stand before this House tonight; to talk

about Korea and the problems that loom ahead.

Korea is not Japan, I repeat that. They have shown a very good-faith attempt to address many of the complaints that I have mentioned this evening, and we applaud those attempts but must note that they do not address all United States concerns and in some cases are too slow to benefit either our producers or Korea's economic vulnerability.

In 1983, the Korean National Assembly passed a 5-year tariff reform package to cut general tariff rates down to industrial nations' level by 1988. Last year, Korea agreed to permit foreign companies to write life and other types of insurance policies. In 1986, Korea did not impose an additional 40- to 60-percent adjustment tariffs over and above general tariffs as it has done in the past.

Korea recently completed a buying mission to the United States purchasing some 2 billion dollars' worth of products in over 20 States. Now the Korean Government plans to open the entire color television market late in 1987.

Mr. Speaker, several weeks ago I announced that I was going to hold this special order this evening. Just today in the mail from the Korean Embassy, the first time we have had mail from the Korean Embassy on this particular issue, we get this announcement: "Korea announces additional tariff restriction packages," and this is dated—Seoul, April 6.

"The Korean Government announces today a sweeping tariff reduction package to further cut the duty on a range of agricultural and manufactured goods. These effective July 1, 1987, will affect 83 items in addition to those listed in the previously announced trade liberalization and tariff reduction schedule." I will read those this evening because I think they are significant.

"Under this plan, duties will drop on the following items. Twenty percentage points on beer; 10 percentage points on a range of automobiles; 5 to 10 percentage points on some fruits and vegetables; 5 to 10 percentage points on vacuum cleaners, fans, food processors, televisions, telephones and radios. Five percentage points on hardwood lumber and veneers. Five percentage points on over a dozen paper products. Five percentage points on a range of computer paraphernalia; telegraphic and facsimile transmitting machines and radio navigation equipment." That is a very important list for the U.S. producer.

One of the reasons I come tonight, not only to tell the amazing success story of the nation of Korea, but also to tell you why I think it is important that as our negotiators go to Seoul in the very near future, there still re-

mains some very important items that the Koreans simply will not face up to.

In my home State of Idaho, a major producer of potato and potato products, Korean trade barriers against potatoes have increased in the last few years. Koreans first imposed an excessive 50-percent duty to change and changed its quota to 150 metric tons.

Mr. Speaker, to understand how restrictive this limit is, consider that in the first 6 months of 1985, just prior to the imposition of the quota, United States potato exports to Korea were more than twice, more than twice in the first 6 months the 150 metric tons.

□ 1840

The U.S. Trade Representative's office estimates the quota is a 90-percent reduction over the previous import levels. Currently Korea has cut off potato imports altogether, placing a de facto ban on the commodity itself. All these restrictions occur in defiance of U.S. requests. In fact, as the Koreans well know, market access for potatoes has been the centerpiece of the United States trade agenda with Korea, and I am told it will be again.

U.S. Trade Representative Clayton Yeutter recently stated in a letter to Members of Congress his concern, of course, about the potato barriers. In that he said that were was convinced our exporters could capture a much larger share of this growing market in Korea if the barriers were removed.

Mr. Speaker, I ask with the Olympic games in 1988, where are the french fries going to be?

Another major area that the Koreans have shown a de facto ban is in the area of beef imports. In May 1985, they in fact imposed that. Since that time only 49 tons of U.S. beef have entered that country. This ban was imposed despite Korea's agreement—and I repeat—despite Korea's agreement under GATT in 1979 to liberalize their trade restrictions specifically on beef. The de facto ban has remained in place despite an increased demand for beef in Korea. Korea's per capita consumption of beef in 1986 is estimated at 12.2 kilograms, up 11 percent over 1985.

Before the ban, Korean imports of United States beef were on the rise, a very rapid rise. Prior to the restriction, Korea was considered a growing beef market for United States producers. The Korean market is ill-equipped to supply beef for the upcoming Olympic games scheduled in Seoul. In other words, there just are not going to be any hamburgers or french fries to go with them, Mr. Speaker.

In fact, Korean beef cattle inventory over the last few years has declined by about 10 percent.

In addition, United States beef does not compete directly with Korean beef. United States beef is a higher quality grain fed beef that is sold pri-

marily in the hotels of Korea. Korean beef is a lower grade, sold primarily in the retail grocers market.

Another commodity that comes from my State and rapidly seeking a growing export market is the hay-producing market. Korean restrictions on hay imports are a maze of hidden anti-hay policies. While the only official restriction is a 20-percent tariff, hidden restraints have resulted once again in another de facto ban. This de facto ban is accomplished largely through import licenses.

In other words, Mr. Speaker, the Koreans say, "We will import hay if you can get a license," but then, how strange it is, they simply do not allow any applications for licenses and those they do allow they refuse the license. These barriers have remained in place despite repeated United States hay industry attempts to demonstrate both the quality of the United States product and the willingness of United States producers to target Korean market needs.

The U.S. industry has repeatedly worked to seek inroads into that market. In 1982, U.S. hay producers sent a product team to Seoul to cooperate with Seoul University. The teams displayed the produce and visited many potential customers, especially dairies.

In the 1970's and early 1980's, Korea in an effort to expand its food supply, exported from this country thousands and thousands of quality dairy heifers. They go to Korea with the phenomenal bloodline and production capabilities that comes from this country, only to find that once in Korea their production drops nearly 50 percent.

Why is that so, Mr. Speaker? It is because of the quality of food, because of the type of feeds that are not available to these highbred producing capabilities that come with United States dairy animals that have been imported into Korea.

The demonstration products that our hay producers have provided for the Koreans show that with the quality of food available, we can nearly double the production of the Korean milk cow, once an American product. That is why it is important, not only for Korea, but for United States hay producers to be able to have access to that market.

Mr. Speaker, here is another unique tariff that the Koreans place on producers in our country and I am talking about the American chocolate confectionery industry. Korea had an absolute ban on imported candy until 1984. Today Korea imposes a 35-percent tariff on chocolate confectioneries and a 25-percent tariff on sugar confectioneries.

In other additions to those tariffs, Korea imposes a 2.5-percent defense tax and a 10-percent value-added tax

on these products, for a total cumulative tax rate of 52 percent and 42 percent, respectively.

Although the 35-percent tariff on chocolate will be reduced to 30 percent in July, and that was just announced in a communique I read from the Korean Embassy, even this reduced tariff is prohibitive in view of what it costs United States exporters to price the products competitively and market them in Korea.

Let me give you an example of what is now going on in Korea and I think, Mr. Speaker, Members of the House will find this a very unique situation.

I have here with me tonight a bag of somebody's favorite, certainly mine, M&M chocolates with peanuts in them, a standard in the American confectionery market that all of us know about.

Now, here is the counterpart in Korea. It is called a B&B chocolate, almost an identical wrapper, almost an identical symbol on the front.

Now, why are they doing that? It is because they know that the Korean consumer likes M&M's, but they have also placed a restriction on those products and, of course, herein lies the problem. This problem has been raised by officials of our Government to the Korean Government because we think it is a symbol, along with trade policy in the Korean economy, where in fact they are disregarding the proprietary nature of the integrity of internationally recognized brands and trademarks. This case is a very important symbol, since the average American consumer can readily understand the product and, of course, the average Korean consumer can readily understand the product. That is why the confectionery industry of this country is concerned, equally concerned about the very prohibitive tariffs, but this kind of copycatism that goes on in fact when they try to satisfy their consumers with a counterpart by literally stealing image, idea, and design.

Mr. Speaker, I could go on about the barriers that the Koreans place on oranges and orange juice that is certainly of concern to my colleagues in Florida, in Arizona, and in California. United States oranges are currently banned from entry into the Korean market, except for insignificant amounts which are allowed into military commissaries and into some hotels. The small amount of oranges that do enter the market are subject—let me repeat this—are subject to a 50-percent duty. On top of the 50-percent duty, oranges are also subject to a 60-percent temporary tariff over and above the 50- and the 60-percent duties, U.S. orange exporters are also charged excessive import fees. In other words, again it is a de facto ban simply by pricing the product of our country, certainly a healthy product

to the Korean consumer, clearly out of the market.

The California-Arizona citrus industry estimates that if the blending requirements in the blending of juice that the Koreans require some 70-percent Korean juice product versus a 30-percent United States juice product, that this blending requirement and the requirements involved in the process, sales could be another \$2 million a year to the juice and orange industries of this country.

Mr. Speaker, we have got the same problems in lemons and grapefruits. United States lemons sold in the Korean market are subject once again to a 40-percent general tariff. There is also an additional 60-percent adjustment tariff levy against all United States lemons sold in Korea.

Korean restrictions on peaches, Korean restrictions on almonds, and that process goes on and on.

My special order tonight is pointed not only at all of the primary resources that we talk about, the tremendous agricultural produce that we are capable of providing to the Korean economy, but in fact the very, very restrictive nature of an economy that reaches out to the world to sell many of its new products.

When I go out onto the streets of Washington this evening, Mr. President, I will probably either follow or be passed by a new Hyundai car, a new Korean car that has just entered this market. They want absolute access to our markets and absolute access to our consumers, while at the same time they have continually said no, no, no to all our producers and, of course, in direct disregard to their own consuming public.

□ 1850

That is why it is important that this Congress send a message, as I hope this special order does this evening, to the Korean Government that we mean business when we talk trade; that it is critically important to all nations involved in international trade to participate in a fair and equal manner if we are to be able to coexist both diplomatically and economically in a very, very important issue as trade.

There are a good many of my colleagues who wish that they could participate tonight, Mr. Speaker, but for a variety of reasons were not able to do so.

Mr. Speaker, at this point I offer their comments for introduction into the RECORD. I am referring to the gentleman from Texas [Mr. BARTON], who has provided us with comments this evening about Korean trade specific to his State of Texas. The gentleman from California [Mr. MILLER] is very concerned about the citrus industry of California and a variety of the kinds of practices that the Koreans use in trade—I see by his comments this

evening that he speaks of the steel industry of Korea and the impact that it has had in our market. The gentleman from Wisconsin [Mr. ROTH] has provided me with a statement for the RECORD. The gentleman from North Dakota [Mr. DORGAN] would have been with us this evening, but last night he was blessed with a new son, Mr. Speaker, by the name of Brandon, and so I understand that he went home or went to the hospital to be with his wife and his new baby boy this evening and could not join us. Also the gentleman from Idaho [Mr. STALLINGS] expresses and holds many of the same concerns that I do as relate to beef exports, certainly as relate to potato exports, which are a major product of his congressional district, the Second Congressional District in Idaho, and the near absolute ban of course that the Korean economy and the Korean Government has on it. The gentleman from New York [Mr. HORTON] has asked that his statements be included in the RECORD tonight, Mr. Speaker, along with the gentleman from Michigan [Mr. SCHUETTE].

Mr. BARTON of Texas. Mr. Speaker, I would like to thank the gentleman from Idaho [Mr. CRAIG] for sponsoring this special order on trade with Korea. It is highly appropriate as the U.S. Trade Representative and the Secretary of Commerce prepare for meetings in Seoul during the week of April 20 to 27, that we discuss this important issue.

Let me say at the outset that my purpose is not to lambaste our friend and ally South Korea. Korea is an important trading partner and is a key part of our defensive efforts in Asia. United States companies exported 5.7 billion dollars' worth of goods to Korea in 1985, ranking as our eighth largest export market.

Despite this high ranking there is reason for concern. Our trade balance with Korea has gone from a \$2 million surplus in 1981 to a \$4.3-billion deficit in 1985. During that time our exports to Korea increased from \$5 billion to \$5.7 billion. Korean exports to the United States over the same period increased from \$5.2 billion to \$10 billion.

A major contributing factor to this deficit is the dramatic decline in the growth of U.S. exports. From 1976 to 1980 our exports to Korea increased 23 percent. From 1981 to 1985, however, our exports increased only 5 percent. Clearly, this decline is an issue we must address as we look to lower our trade deficit with Korea.

There are a number of other reasons for the deficit. The strong U.S. economic growth over the first part of this decade stimulated our demand for imports from all nations. Korea benefited from this demand as did many other countries. Also important was the relatively low growth rate of 6.5 percent Korea experienced at the same time.

Though the above factors are important, we cannot ignore the effect barriers to United States exports to Korea play in this growing deficit. Korea is currently in the midst of a pro-

gram to lower tariffs on most products from 40 to 20 percent. This sounds laudable until one realizes the average tariff on imported goods in this country is 3 percent.

Of particular concern are tariffs and bans on agricultural products. Korea has placed many agricultural products in the restricted category of goods. Products under this category must be approved by the Korean Ministry of Trade and Industry or the Ministry of Agriculture. They must also be approved by the trade association representing Korean producers. This is akin to having the fox guard the chicken coop. I imagine there are very few Korean producers working to increase our exports to their country.

Wood and paper products are also subjected to high tariffs. In 1985, the United States asked Korea to cut tariffs on a selected list of goods. Wood and paper products were included on this list. I am pleased to note that Korea intends to lower tariffs on these goods from 20 to 15 percent. This rate, however, is still far too high.

Trade prohibitions on the beef industry are particularly onerous. Beef imports have been banned since 1985. If there is any product in which we enjoy a comparative advantage in trade, it is beef. U.S. beef is the finest in the world. I noticed with some interest that the one exception to the beef ban was 49 tons of U.S. beef imported in October of 1985 for a meeting of the International Monetary Fund.

Another area of concern is prohibitions on foreign investment. These prohibitions are one reason we have such a large trade deficit. I am a member of the Energy and Commerce Committee which recently had under consideration H.R. 3, the Trade and International Economic Policy Reform Act. During debate on the bill, I added an amendment which requires the Secretary of Commerce to recommend to Congress means to lower foreign investment barriers.

Korea has a fair record on foreign investments. They correctly recognize that foreign investment is important for economic growth. Korea does prohibit, however, investment in 5 percent of its industries. Another 20 percent of industries have special regulations on foreign investment. These industries include electronics and automobiles. I hope and encourage the negotiators in Korea to place on the table removal of these unnecessary investment restrictions.

This country has been very generous and open toward Korean imports. Korea is one of the top beneficiaries of the Generalized System of Preference [GSP] ranking second behind Taiwan. The GSP gives duty-free treatment to imports from developing countries; 12 percent of imports from Korea come in under GSP status. I am not opposed to this. American consumers have benefited from high quality, low cost Korean goods. Hyundai cars and Samsung electronics products are becoming well known in this country. It is imperative, however, that we have equal access to Korean markets.

In 1988 Korea will host the Olympic games. This worldwide spectacle of sports is a symbol of international cooperation. I hope that the same spirit of cooperation and good will is embodied in the market access talks about to convene in Seoul. Both the United

States and Korea will benefit from free and open trade between our two countries.

Mr. MILLER of California. Mr. Speaker, I commend the gentleman from Idaho [Mr. CRAIG] for taking this time to draw attention to certain trade practices by the Government of Korea and by Korean industries and businesses.

As one who has not been supportive of prohibitive and protectionist trade legislation, I regret very much the involvement of the Korean Government in helping to drive down, the standard wage rates of men and women in the construction trades in California.

A Korean-American joint venture—USS-POSCO—is currently engaged in the modernization of a former U.S. Steel facility located in Pittsburg, CA. When completed, this facility will be perhaps the most modern steel finishing facility on the west coast. Together with over 1,000 men and women who will work at that plant, I was pleased when I learned of the decision by USS-POSCO to invest in the facility.

However, my enthusiasm has been tempered by the actions of the joint venture in awarding the contract for the modernization work to an out of State contractor. It is evident that the contractor will hire people only under conditions which significantly undermine existing working conditions in the San Francisco Bay Area.

The Government of Korea holds a major interest in Pohang Steel, the parent of the Korean side of the USS-POSCO joint venture. Thus, we have a foreign government which supports a foreign investor which is actively engaged in undermining traditional, and hard won, wage and hour protections for men and women in the building trades. This is intolerable, and it is an act of arrogance which undoubtedly will have ramifications in the upcoming consideration of trade legislation.

Mr. Speaker, we have voiced our concerns about unfair competition by foreign manufacturers which results from the low wages and working conditions in foreign countries. The working conditions in these countries are far, far below any standard which would be acceptable or legal for the average American worker, let alone for highly skilled workers from the construction industry.

These substandard conditions provide an obvious trade advantage to top countries which compete with products manufactured in the United States by workers who earn decent salaries. We all know that there is no way for an American steelworker, or electronics worker to compete with the wages paid in Korea, or Singapore, or other developing countries. Or so we thought.

USS-POSCO's \$350-million modernization contract for the Pittsburg plant, in effect, exports substandard wages to the United States. It is the largest nonunion contract ever signed in the State of California. It will establish a reduced level of wages, benefits and working conditions for hundreds of construction workers in the bay area by undermining local labor standards which have been won through the hard work and sacrifice of men and women of the trades for many years. And those losses will ripple through the businesses of our communities.

In fact, USS-POSCO and its contractor have admitted that construction workers will be hired for less than half the established rate of labor. Efforts by the building trades to negotiate a revised project agreement with both the joint venture and the contractor have been abruptly rejected.

Eighteen members of the California congressional delegation has joined me in urging the leadership of USS-POSCO to sit down with the leaders of the building trades. In addition, I have had the opportunity to discuss this matter with the Korean Ambassador to the United States and with the Minister of Trade and Industry, Mr. Rha Woong Bae, who recently led a trade mission to the United States to discuss improved commerce between our nations.

I can only repeat what I told both these men: those of us in the Congress who have supported free trade and have resisted protectionist and restrictive legislation in the recent past cannot help but hear the concerns of our own constituents whose livelihoods are jeopardized by the flagrant and irresponsible acts of the Korean Government and its economic partners.

If Korean companies and the Korean Government refuse to consider the impact of their investment decisions on the well-being of the people represented by the Members of this Chamber, it is inevitable that there will be consequences when trade legislation moves through the Congress. That is not a desirable result.

There is a more conciliatory way to proceed. There is still time for USS-POSCO and its contractor to sit down in good faith with leaders of the building trades in the bay area and work on a mutually acceptable agreement which can allow this project to go forward on time, preserve local labor standards, and assure our continued support for liberal trade policies.

Mr. SCHUETTE. Mr. Speaker, I want to thank my colleague from Idaho, LARRY CRAIG, and other members participating in this special order on trade barriers to Korean markets.

I would like to briefly comment on one area of particular concern to me: The protectionist Korean trade barriers against U.S. potatoes. As the only member on the House Agriculture Committee from Michigan, I wish to express the concerns of many Michigan potato producers regarding these counterproductive trade barriers. I am alarmed that Korea has effectively banned the import of potatoes all together. This unilateral action taken by the Korean Government is contrary to the spirit of fair trade between our two countries. U.S. requests to open, not shut off, Korean market to United States agricultural commodities, and specifically, to potatoes have fallen on deaf ears. I call on the Korean Government to re-evaluate this shortsighted decision and allow the fair exchange of this and other commodities between our two nations.

Thank you for this opportunity to speak on this important matter. And I hope this special order sends a clear message to Korea to open its market to United States, products and agricultural commodities.

Mr. STALLINGS. Mr. Speaker, Korean trade with the United States has ballooned in the

past decade. They have been a substantial customer of U.S. goods, growing 14 percent since 1981. However, over this same period, Korean exports to the United States have almost doubled. The current United States trade deficit with Korea has increased over 20 times since 1981, from \$200 million to over \$4 billion.

Certainly something is wrong with this status quo trade relationship. And, that something wrong is very evident in the area of agriculture trade. Tariffs of 50 to 75 percent still exist on agriculture goods that the United States would like to increase exporting to Korea. Beef imports are banned. Frozen french-fried potatoes have been limited to 10 percent of the 1985 import level. Alfalfa feed products which were donated to a university in Korea had to be dumped in the ocean because the Korean Government would not allow this product into their country.

Other agriculture products, including oranges, apples, peaches, juices, and others, are also under restrictive import quotas.

This type of unjustified restriction on United States agriculture products is unacceptable, especially while Korea retains their current position of second ranking for total imports coming into the United States under the Generalized System of Preferences.

We in Congress will no longer tolerate this type of one-way free trade. We demand a fair trading relationship. We hope that the Korean Government will respond favorably to the upcoming talks with the United States Trade Representative. Otherwise, an increasing support in Congress will emerge to adopt retaliatory measures in the omnibus trade bill.

Mr. DORGAN of North Dakota. Mr. Speaker, the trade balance between the Republic of Korea and the United States was \$7.6 billion in favor of Korea in 1986. One major reason for this imbalance is the unfairness of various trade practices by the South Korean Government.

My colleagues have addressed a variety of these unfair practices. I'd like to focus your attention on one which I think is representative of the larger problem we are having with Korea. Since May of 1985 the Republic of Korea has banned high quality beef imports.

The Koreans flood our auto market with Hyndais, and we cannot send them beef. Does this make sense? Absolutely not. Is it fair trade? Not at all. This beef import ban is a contravention of Korea's General Agreement on Tariffs and Trade [GATT] obligations and impairs U.S. GATT rights. In plain English, "It's not right."

The bottom line is fairness. If these import restrictions were removed the United States could supply a significant portion of the Korean red meat market. American beef is very competitive. But no Korean will ever gain an appetite for American beef if we don't get the chance to compete.

These unfair trade barriers by Korea cannot continue. I believe that the Republic of Korea should take formal and immediate action to fulfill its GATT obligations and permit access to its market by United States beef producers. Moreover, the United States Trade Representative and other Government officials should enter into negotiations to gain greater access for United States red meat and other products

to the Korean market. Such negotiations should also address the high tariffs and the means in which imported beef is distributed.

Should the Republic of Korea not immediately show clear evidence that it is engaging in meaningful liberalization action in its market for the United States beef and other products, I believe the appropriate United States Government officials should utilize all available and appropriate avenues to encourage Korea to open its market to United States beef and other products.

I appreciate having this opportunity to speak on an issue that we can no longer ignore. We must make progress on gaining access to Korean markets.

Mr. ROTH. Mr. Speaker, I wholeheartedly concur with the points raised by Mr. CRAIG. Our expanding trade deficit with South Korea is deplorable. Restrictive trade barriers to United States agricultural commodities imposed by South Korea have caused hardship for our Nation's beef and potato growers. And recent negotiations with South Korea have proved futile.

The United States currently has a bilateral trade deficit with South Korea in excess of \$5 billion. With the 1988 Seoul Olympic games rapidly approaching, I strongly believe that the United States should have the opportunity to meet the increased demand for agricultural products that will be generated by the Olympic spectators.

Some gains have been made in bilateral trade negotiations with South Korea regarding manufactured goods, but little progress has been made with respect to agricultural commodities. A 150-metric-ton quota on United States potato exports has been in place since 1985 and high-quality beef imports have been banned altogether since May 1985. South Korea's 150-ton potato imports quota represents a 90-percent reduction over the previous \$500,000 1985 import level. The ban on high-quality beef seriously impairs United States General Agreement on Tariffs and Trade [GATT] rights and clearly violates South Korea's GATT obligations.

Our United States potato and beef producers, who are continuing to suffer from a number of serious economic strains, desperately need relief. We all know how much the United States contributes to South Korea's military security. It is high time that we provided for the economic security of our own farmers and I urge my colleagues to join me and others in opposing South Korea's excessively restrictive trade barriers.

Mr. JOHNSON of South Dakota. Mr. Speaker, the number one industry in South Dakota is agriculture. The number one agricultural commodity in South Dakota is beef. As the lone Member of Congress from South Dakota it is my business to look out for the beef industry in every way possible.

Last week, the House Agriculture Committee acted on the portions of H.R. 3, the comprehensive trade reform bill, under that committee's jurisdiction. One of the issues raised was the matter of trade, or the lack of it, with the Republic of Korea, particularly with regard to beef exports. I offered as an amendment to the trade bill an amendment that essentially states that it is the sense of the Congress of the United States of America that the current

ban of beef imports into the Republic of Korea was a direct violation of that country's GATT obligations and that the United States should take all necessary and appropriate actions, up to and including retaliation, to open that market up to United States beef production. I am happy to report that my amendment passed the committee unanimously.

Mr. Speaker, for the RECORD I am inserting the text of my amendment so that the findings of the House Agriculture Committee and the sense of Congress section of my amendment will be available for all our colleagues to read. We have heard a great deal about the problems we have had with Japan and the exports of our products, including beef, into that nation. The Republic of Korea has decided, apparently, that it wants to join the ranks of those who would keep out our beef because they know that, if given the choice between quality and price, their consumers would readily buy our beef products.

Mr. Speaker, we are not here to ask for some kind of an unfair advantage over other beef producers around the world. We just want a chance to compete. I hope that the Republic of Korea will take note of the actions of the House Agriculture Committee and the members of the Congressional Beef Caucus participating in this special order. By opening up their markets to United States beef exports, the Republic of Korea will take a significant step toward meeting that nation's GATT obligations and avoiding retaliatory action by the United States.

AMENDMENT TO H.R. 3, AS INTRODUCED

OFFERED BY MR. JOHNSON OF SOUTH DAKOTA

SEC. . SENSE OF CONGRESS WITH REGARD TO THE NEED FOR INCREASED ACCESS TO THE REPUBLIC OF KOREA'S BEEF MARKET.

(a) FINDINGS.—The Congress finds that—

(1) the trade balance between the Republic of Korea and the United States was \$7,600,000,000, in favor of Korea in 1986;

(2) the Republic of Korea has banned high quality beef imports since May 1985;

(3) this beef import ban is in contravention of Korea's General Agreement on Tariffs and Trade (hereinafter in this section referred to as "GATT") obligations and impairs United States GATT rights;

(4) Korea imposes an unreasonably high 20 percent ad valorem tariff on meat products;

(5) if the import ban were removed the United States could supply a significant portion of the Korean beef market; and

(6) the United States cattle raising industry has not been profitable since 1980.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that—

(1) the Republic of Korea take immediate action to fulfill its GATT obligations and permit access to its market by United States beef producers;

(2) the United States Trade Representative should enter into negotiations to gain greater access to the Korean market for United States beef;

(3) such negotiations, in addition to greater market access, also address the high tariffs, and the means in which imported beef is distributed in Korea; and

(4) if the Republic of Korea does not immediately show clear evidence that it is engaging in meaningful liberalization in its market for United States beef, the appropriate United States Government officials

should utilize all available and appropriate avenues, including retaliation, to encourage Korea to open its market to United States beef imports.

Mr. HORTON. Mr. Speaker, next year the entire world will be looking toward South Korea to enjoy the quadrennial spectacle of the Olympics. While that country is readying itself for the throng of sports fans that will converge on Seoul, I want to join my colleague and friend LARRY CRAIG in pointing out the serious inequities that exist in South Korean trade.

The Republic of Korea is the seventh largest market of United States imports and the eighth largest United States export market. In 1985 Korea's United States exports grew six percent to \$10.7 billion. United States exports to Korea were only \$5.7 billion. We face a \$5 billion annual trade deficit with that country.

The list of products restricted by South Korea is long—wine, cigarettes, seafood, high-quality beef, potato by-products and a number of other agricultural products. These products can be restricted in a number of ways—tariffs of up to 100 percent ad valorem, unreasonable import licensing requirements, quotas and de facto bans on services or products. The means may be different, but the end result is the same—a clear Government policy of tariff and nontariff trade barriers against the United States.

Mr. Speaker, I join my colleagues in bringing this matter to light not to single out South Korea as the only United States trading partner engaging in such tactics. Unfortunately, there are many countries doing exactly the same thing.

For decades, South Korea has been a strong, committed ally of the United States, and has consistently opposed Communist hegemony in the Pacific Rim. I applaud many of these efforts.

That notwithstanding, we cannot sit idly by, with our \$170 billion annual trade deficit, and allow walls to be built around our products.

Once again, I thank the gentleman from Idaho [Mr. CRAIG] for giving us this opportunity to address an important trade question. As the Congress continues to debate an omnibus trade bill, efforts to better inform our colleagues are welcome and needed.

Mr. CRAIG. Mr. Speaker, the American public is saying loudly and clearly that they want change in U.S. trade policy. Reflective in that policy was a decision resulting from negotiations that occurred recently between the Canadians and our Government as it relates to the forest products industry. That effort is now working its will and has clearly improved the future and the nature of the forest products industry of this country.

That policy was initiated by myself and a good many other colleagues in Idaho and around this country.

Now of course just in the news in the last several weeks has been the computer-chip question with Japan, and of course once again micron industry of Idaho was one of the featured industries who has fought for its share of the world market, and certainly has fought against Japanese dumping in

our markets and other markets of the world. As a result, this Government and this administration is responding.

I also mention, Mr. Speaker, that a very large and important trade bill is now working its way through the House Ways and Means Committee and through the appropriate committees of Congress.

Having said all of that, Mr. Speaker, having spoken directly to the Korean question, knowing that we have a trade delegation going to Seoul soon, I hope that the Korean Government and other governments of this world who practice restrictive trade policies recognize that this Nation, its consumers, and its producers, mean business. We can no longer tolerate an open free market if we too cannot have an open free market from the nation who seeks entry into ours.

It is critical. It is important for the survival of a free and dynamic world economy. It is most important for the working men and women of this country and for our industrial base.

I recently read, Mr. Speaker, where 65 percent of all of the manufactured goods of Third World developing nations must be sold in this economy to the American consumer if current economic levels of those nations are to be sustained. I cite that figure, Mr. Speaker, because it demonstrates to me and I think that it should to all of our country the value of the consuming public of the United States. It says that we are the richest and largest consuming public, and it is necessary for growth in Third World nations that they have access to our consumer.

But at the same time it says to us, Mr. Speaker, that we have a tremendously valuable tool in the process of negotiations in the process of redefining our trade policy in this country, and we must not overlook that lever. We must not overlook the very valuable tool that the American economy is in addressing the kinds of trade barriers that I have talked about tonight with our Korean neighbors in the Pacific rim—the barriers of potatoes, the barriers of beef, the barriers of chocolate and sugar confectionaries, the barriers of almonds and oranges, of hay, of all of those kinds of major agricultural products which we have in an abundance at this time and which we would like to become a participant in selling to the consuming public of the nation of Korea.

I say to Korea, I say to its government: Please understand that we mean business. If you are to gain a share of our market with your manufactured goods, then you must anticipate that we should have fair and open access to your consuming public.

I see that my colleague, the gentleman from Maryland [Mrs. BENTLEY] has just arrived. I understand that she has comments on this impor-

tant issue. I thank her for joining me in this special order tonight.

Mrs. BENTLEY. Mr. Speaker, will the gentleman yield?

Mr. CRAIG. I yield to the gentleman from Maryland.

Mrs. BENTLEY. I thank the gentleman for yielding.

I am very happy to do this. I want to commend the distinguished gentleman from Idaho for pointing out these difficulties that the American interests have in exporting and how we are being blocked out by the very countries that we are helping the most.

I listened to just part of the gentleman's presentation. I heard about the Idaho potatoes and about the beef. These are just some of the things. But you know, they will not let any American cigarettes in there. Did the gentleman refer to that, by chance?

Mr. CRAIG. I did not.

Mrs. BENTLEY. Well, I understand that it is even illegal if anybody is found with a package of American cigarettes, and this is a country on which we are spending how many billions of dollars in defense a year?

Mr. CRAIG. Hundreds of millions.

Mrs. BENTLEY. How much trade is coming into this country? What amount of exports from Korea are we purchasing?

Mr. CRAIG. The total volume of Korean imports into this country, their exports, in 1986 rose to \$4 billion.

Mrs. BENTLEY. \$4 billion. And the doors are practically closed to everything from the United States.

Mr. CRAIG. That is correct.

Mrs. BENTLEY. They will not even let an American automobile in that country.

Mr. CRAIG. Well, they are saying that they are going to change their policy now. I had a communique from their office this evening that they are going to offer some degree of liberalization there, but I think that is merely a crack in the door.

Mrs. BENTLEY. Well, I hope that their liberalization is not like Japan's liberalization. You know, Japan makes agreements with us, as they did on the semiconductor last July, and we have yet to see any action out of that. They made an agreement on American cigarettes going into Japan 4 months ago. There has been no action on that yet. They made an agreement with Motorola to split a certain type of communications system in Japan 50-50—50 percent a Japanese firm and 50 percent Motorola. Motorola will probably be allowed in there after that Japanese firm has taken over 90 percent of that particular type of communications system.

□ 1900

That is the difficulty that American manufacturers and our products are having overseas.

We hear all this stuff on free trade. Does the gentleman think there is any free trade in the world?

Mr. CRAIG. It is in the eye of the beholder. I think that although this Nation has really held a very open and liberal free trade policy over the years, we find out that our doors tend to be wide open and theirs to all varying degrees are closed, and in some instances, as those I have cited tonight, there are subtle de facto bans. If you can get a license to sell in the country, you may sell. In other words, we have no restrictions. There is only one thing unique about it. They do not issue any licenses.

Mrs. BENTLEY. That is very subtle. In other words, they are just saying you are nice people, but go home and stay home.

Mr. CRAIG. That is the way it works.

Mrs. BENTLEY. We talk about protectionists, that we do not want to be protectionist. We do not have to be protectionist and we do not want to be either. The only thing we should do, and I would like the opinion of my distinguished colleague from Idaho on this, is we should apply the same exact terms in this country on the exports from any other country as they apply to our goods going into their country. Would that be protectionist?

Mr. CRAIG. No; it certainly would not be.

One of the things we have done over the years for human health and safety, for our environment, for a variety of other reasons, to improve the quality of life in this country, we have placed upon our producing friends a variety of restrictions that they must comply with, and in most instances I think the gentlewoman and I can agree that they are good. They have cleaned up the air, they have made products safer, and they come with a cost. There is no question that the cost is passed on to the American consumer. But many of the products or comparable products that enter our markets are not subject to the same kinds of restrictions.

Mrs. BENTLEY. Exactly.

Mr. CRAIG. For example, in the area of beef, a field I know very well, we say to the beef producers that there are certain types of chemicals, certain types of pharmaceuticals you cannot inject into an animal to be consumed by the American consumer. Yet those very restrictions that maybe cause a loss of production, a loss of life in the livestock—

Mrs. BENTLEY. Or an additional cost.

Mr. CRAIG. Or an additional cost, certainly they are not the same types of restrictions that the producer in

Australia or the producer in Argentina have. And, of course, he can produce for less cost and move into this country, and we do not put any restrictions on that.

I think in this trade policy, as we look at it, we ought to say very clearly that product which comes into this country, which the American consumer will consume, must be as healthy, must be grown or provided or manufactured under the same kinds of conditions and restrictions that we require in this country for human health and safety.

Mrs. BENTLEY. In particular, this was brought to my attention last week, we are so very fussy about our raw vegetables in this country, and as the gentleman says, chemicals are applied to them. Yet we are getting raw vegetables from many places in the world today and they use the very basic type of fertilization. I think the American people ought to be made aware of that.

Mr. CRAIG. This is of course some of the very real difficulties that we deal with. We are forced when we enter into a foreign market to identify with that market. I am convinced that is one of the areas we really have fallen down on in this country. Our trade policy really evolved out of a surplus concept. We as a nation were fairly arrogant throughout our history. We were self-contained, we were powerful, we had resources and we did not need to worry about markets around the world to sell products. As we matured, as we grew and needed to expand our economies for our labor force, we began to produce beyond the capacity of this Nation to consume. But our policy did not change. Our trade policy was not consistent with the economic expansion that was necessary in this country, and as a result we sought markets for our surpluses.

Agriculture is a prime example. Many people in industry and in business here today have not worked toward a consistent trade policy that would gain equal access to the marketplaces of the world. And finally in the recession of the 1980's and in the change in the value of currencies we have learned our lesson, and we are going to see now trade policy come out of this Congress.

We have seen this administration make changes in its attitudes toward negotiations. In the last 3 years they have gotten tough and they need to get tough, because many of our people were finding themselves out of work because the product they produced had been replaced by a foreign product on the market shelves of this country.

Mrs. BENTLEY. Our exports have really been jobs overseas, our jobs of our people overseas.

Mr. CRAIG. That is really what has happened.

Mrs. BENTLEY. And that is bad.

Again I want to commend the gentleman from Idaho for this very excellent presentation.

Mr. CRAIG. I thank my colleague, the gentlewoman from Maryland, who represents the Baltimore area. As I represent potatoes and meat, beef, she represents a major port in this country, a major port through which a lot of the goods that we trade flow out from this country. I suspect the traffic leaving her port over the last several years has declined as the traffic coming in has increased. I think that is symbolic of the kinds of trade difficulties this country is in, and I thank the gentlewoman for joining me in this special order.

Mr. Speaker, let me close by saying once again to my Korean neighbors that because we in Idaho believe we reside on the Pacific rim, in the middle of my district I have a port, a port that is on a waterway that leads us to the Pacific Ocean and to our trading partners of the Pacific rim, and to my neighbors in Korea, for your own economic stability, for the growth and expansion of your general economy, for the well being of your consuming public, it is necessary, I believe it is critically necessary that you move to open and liberalize your trade policy. And for the sake of the 1988 Olympic games, and for those thousands of people who want a hamburger and French fries, get with it, Korea. We need your markets and we want to participate in them in providing quality beef and quality potatoes to those consumers.

Mr. Speaker, I yield back the balance of my time.

INTRODUCTION OF A BILL TO AMEND TITLE III OF THE OLDER AMERICANS ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas [Mr. HAMMERSCHMIDT] is recognized for 15 minutes.

Mr. HAMMERSCHMIDT. Mr. Speaker, today I am introducing a bill to amend title III of the Older Americans Act. Very simply, my amendment would add \$25 million under title III for a 1-year program that would provide direct assistance to low-income older persons so that they may obtain the supplemental security income [SSI], Medicaid and food stamps to which they are entitled.

Although our Nation has been successful in its dramatic reduction of elderly poverty in the last 25 years, as of 1985 there were still 13 percent or 3.5 million people 65 and over who live below the poverty line—\$5,156 for a single person and \$6,503 for a couple. My own State, Arkansas, reported 30 percent of the population 65 plus with incomes below the poverty level—twice the national average.

According to the Social Security Administration only 7 percent of the elderly 65 and over receive SSI. A recent national survey commis-

sioned by the commonwealth fund and conducted by Lou Harris confirmed that only half of all persons eligible for SSI actually participate in the program. Those who appeared to be eligible were questioned about why they had not enrolled in the SSI program. Almost half said they had never heard of the program or believed that they were not eligible. My amendment was developed in response to these findings.

It is important to remember that since the minimum social security benefit was eliminated in 1981, SSI is the only program that guarantees a basic level of income for the elderly. The maximum Federal SSI benefit—for persons with no other income—is \$340 for an individual and \$510 for a couple. Social Security is still the major source of income for the low-income elderly. The average SSI benefit for those receiving social security is \$115 a month. Less than 13 percent of the income for the elderly below the poverty line comes from SSI.

Only one-third of the noninstitutionalized low-income elderly receive Medicaid benefits. Medicaid is an essential program for the low-income elderly because many States pay for all or part of the deductibles and copayments that are not covered by Medicare Program. With the Medicare deductible at \$520 for each hospitalization, many low-income older persons are postponing hospital care. Often they wait too long and require more extensive and costly care when they are forced to seek hospitalization. Even if Congress were to enact a catastrophic health insurance bill, it appears that the elderly would still be responsible for one or two deductibles a year.

The Food Stamp Program has a very low participation rate. About 50 percent of the elderly who are eligible receive them. The average elderly household could receive an additional benefit of \$58 per month if they were to participate.

The entitlement programs, SSI, Medicaid and food stamps, have an enormous potential to improve the quality of life for millions of older Americans. I don't believe that anyone can claim that these benefits are too generous. According to the recent urban institute study on elderly poverty, in a typical situation a single older person who receives social security, SSI, and food stamps would only be at 84 percent of the poverty line. A married couple in comparable circumstances would be at 99 percent of the poverty line.

Congress has to make a greater effort to ensure that all the people who are eligible for these benefits have an opportunity to receive them. With the national network of 673 area agencies on aging we have a system in place that can reach a significant portion of the low-income elderly and educate them about these programs.

Yesterday I had the privilege to testify before the Human Resources Subcommittee of the Committee on Education and Labor which has jurisdiction over the Older Americans Act. After listening to the judicious and thoughtful statement of Chairman KILDEE, I knew that my amendment would be given fair consideration. I commend Mr. KILDEE, Mr. TAUKE and the other members of the subcommittee for the courtesy they have extended to me. I hope that we will be able to work to-

gether to assist the elderly in greatest economic need—those living below the poverty line without the benefits of the entitlement programs.

Although the entitlement programs are limited in the benefits they provide, we must not minimize the improvements they can make in the lives of very low-income people. An additional \$58 food stamp benefit each month can enrich the diets of thousands of older persons. This will reduce malnutrition and prevent many illnesses from starting or being exacerbated. Having Medicaid will allow older people to utilize hospital and medical care when needed; they will not have to jeopardize their health by postponing care until they have saved enough money to cover the \$520 deductible or the part B. copayment. And since many of the State Medicaid Programs cover outpatient prescription drugs, many low-income older people will be able to take the medications they need. I'm sure that all the older persons living on incomes below the poverty line can find good use for the additional dollars received under the SSI Program.

For all these reasons, I hope this amendment will be enacted. The support of my colleagues would be deeply appreciated.

H.R. 1996

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. OUTREACH AND APPLICATION ASSISTANCE FUNCTIONS OF ADMINISTRATION ON AGING.

Section 202(a) of the Older American Act of 1965 (42 U.S.C. 3012(a)) is amended—

(1) in paragraph (8) by inserting "(including statistics regarding the results of outreach activities and application assistance provided under section 306(a)(6)(L))" after "statistics";

(2) in paragraph (17) by striking "and" at the end,

(3) in paragraph (18) by striking the period at the end and inserting "; and", and

(4) by adding at the end the following:

"(19) obtain from—
"(A) the Department of Agriculture information explaining the requirements for eligibility to receive benefits under the Food Stamp Act of 1977; and

"(B) the Social Security Administration information explaining the requirements for eligibility to receive supplemental security income benefits under title XVI of the Social Security Act (or assistance under a State plan program under title XVI of that Act);

and distribute such information, in written form, to State agencies, for redistribution to area agencies on aging, to carry out outreach activities and application assistance under section 307(a)(22)."

SEC. 2. AUTHORIZATION OF APPROPRIATIONS.

Section 303(a) of the Older Americans Act of 1965 (42 U.S.C. 3023(a)) is amended—

(1) by inserting "(a)" after "(a)",

(2) by inserting "for purposes other than outreach activities and application assistance under section 307(a)(22)" before the period at the end, and

(3) by adding at the end the following:

"(2) There is authorized to be appropriated \$25,000,000 for fiscal year 1988 to carry out section 306(a)(6)(L). Amounts appropriated under this subsection shall remain available until expended."

SEC. 3. ADMINISTRATIVE EXPENSES.

Subparagraphs (B) and (C) of section 304(d)(1) of the Older Americans Act of 1965 (42 U.S.C. 3024(d)(1)) are each amended by inserting "(excluding any amount attributable to funds appropriated under section 303(a)(2))" after "amount".

SEC. 4. OUTREACH AND APPLICATION ASSISTANCE REQUIRED.

(a) AREA PLANS.—Section 306(a)(6) of the Older Americans Act of 1965 (42 U.S.C. 3026(a)(6)) is amended—

(1) in subparagraph (J) by striking "and" at the end,

(2) in subparagraph (K) by striking the period at the end and inserting "; and", and

(3) by adding at the end the following:

"(L) with funds and information received under section 307(a)(22) from the State agency—

"(i) conduct outreach activities to inform older individuals, with special emphasis on older individuals residing in rural areas, of the requirements for eligibility to receive supplemental security income benefits under title XVI of the Social Security Act (or assistance under a State plan program under title XVI of that Act), medical assistance under title XIX of the Social Security Act, and benefits under the Food Stamp Act of 1977; and

"(ii) assist older individuals to apply for such assistance and such benefits."

(b) STATE PLANS.—Section 307(a) of the Older Americans Act of 1965 (42 U.S.C. 3027(a)) is amended—

(1) in paragraph (20)—

(A) in subparagraph (A) by striking "section 306(a)(2)(A)" and inserting "sections 306(a)(2)(A) and 306(a)(6)(L)", and

(B) in subparagraph (B)(ii) by striking "and" at the end,

(2) in paragraph (21) by striking the period at the end and inserting "; and", and

(3) by adding at the end the following:

"(22) provide that the State agency—

"(A) from funds allotted for fiscal year 1988 under section 304(a) for part B that are attributable to the amount appropriated under section 303(a)(2), will make funds available to area agencies on aging to carry out section 306(a)(6)(L) and, in distributing such funds among area agencies, will give priority to area agencies based on—

"(i) the number of older individuals with greatest economic need (as defined in section 306(a)(6)) residing in their respective planning and service areas; and

"(ii) the inadequacy in such areas of outreach activities and application assistance of the type specified in section 306(a)(6)(L); and

"(B) will distribute to area agencies on aging—

"(i) the eligibility information received under section 202(a)(19) from the administration; and

"(ii) information, in written form, explaining the requirements for eligibility to receive medical assistance under title XIX of the Social Security Act."

SEC. 5. EFFECTIVE DATE.

The amendments made by this Act shall take effect on October 1, 1987.

HOSTILE BUSINESS TAKEOVERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota [Mr. PENNY] is recognized for 15 minutes.

Mr. PENNY. Mr. Speaker, today I am introducing legislation to protect the public's interest in hostile business takeovers and plant closings. We have heard a great deal about these takeovers in recent months. It is time to do something about them.

It is time to do something because there are many people who can be hurt by takeovers and mass layoffs but who do not have any say about the takeover transaction itself. Too often, these are loyal, long-term employees concerned about their jobs and retirement and small investors who fear a loss of their savings.

The national economy itself is affected when investment dollars are tied up in a takeover battle. Dozens of takeovers have tied up tens of billions of dollars in the last few years. Economists agree that this is a very unproductive use of capital. These funds would be better used to buy new equipment, renovate plants, construct new buildings, do research on new products, and create more jobs.

For employees, the threat of a takeover has a negative impact. They rightfully fear plant closings, job losses and the wholesale restructuring of the combined business if a takeover is successful. These fears undermine employee-employer cooperation that becomes even more important if a merger occurs.

Customers and suppliers of a company that are bought out in a hostile takeover face the same kind of threat. Longstanding relationships, both nationally and within communities, can be disrupted by management and organizational decisions made by the new company resulting from a forced merger.

In addition, if plants are closed and jobs are lost, local governments lose their tax base, and communities lose their economic vitality. Local businesses are hurt, churches and schools close, residential property taxes skyrocket, and too often communities die.

Finally, if the new, combined company is weakened by the cost of a takeover, the stockholders of both companies lose.

Recognizing the negative consequences of many hostile takeovers and plant closings, I believe something should be done. However, we can rely on the free market to do it. We can rely on the free market by providing additional information to the shareholders of both the target company and the acquiring company before a takeover, plant closing, or mass layoff begins. In addition, we must insure that all shareholders of the target company are treated equally in the takeover process.

The legislation I am introducing today has four provisions designed to prevent the negative consequences of hostile takeovers and plant closings.

First, the legislation requires that a company planning to acquire another prepare a statement of its plan for plant closings, changes in work force, modification of supplier agreements, and any other major changes in its corporate structure, management or personnel. This statement must be then made available to the shareholders of the target company. The takeover would be permitted to proceed only if the transaction were approved by a majority vote of the shares of the target company that are not owned already by the company planning the takeover. This statement guarantees that shareholders have more

information about the planned takeover than just the price they are being offered for their stock.

Second, the bill would stop a company from paying more for the first shares acquired in a takeover than for those remaining after the takeover has progressed. To prevent this "two-tier" pricing, under the terms of this bill, an acquiring company must pay the same amount for all shares acquired over a period of 2 years following an initial takeover attempt.

Third, under this measure, any business that employs more than 50 employees shall not order a plant closing or mass layoff until 90 days after notifying and consulting with affected employees, their representatives, and community and State officials. The Federal Mediation and Conciliation Service would be directed to resolve disputes and provide assistance to affected employees and employers. No penalties are levied against firms who fail to comply.

Finally, the bill expresses the "sense of the Congress" that all employers make every effort to provide employees with information about any proposal to close a plant or reduce a work force.

Mr. Speaker, company mergers and plant closings have far reaching economic and personal effects. Employees, community officials, and stockholders should have information about planned corporate changes and should be given time to consider those plans. This bill requires both.

I urge my colleagues to support this legislation.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. DANIEL (at the request of Mr. FOLEY), for today and the balance of the week, on account of illness.

Mrs. LLOYD (at the request of Mr. FOLEY), for today and the balance of the week, on account of illness.

Mr. DIOGUARDI (at the request of Mr. MICHEL), for April 8 and 9, on account of a death in the family.

Ms. SNOWE (at the request of Mr. FOLEY), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mrs. VUCANOVICH) to revise and extend their remarks and include extraneous material:)

Mr. MARLENEE, for 60 minutes, today and April 9.

Mr. HAMMERSCHMIDT, for 15 minutes, today.

(The following Members (at the request of Mr. OWENS of New York) to revise and extend their remarks and include extraneous material:)

Mr. STRATTON, for 5 minutes, today.

Mr. LaFALCE, for 10 minutes, today.

Mr. PENNY, for 15 minutes, today.

Mr. OWENS of New York, for 60 minutes, on April 9.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mrs. VUCANOVICH) and to include extraneous material:)

Mr. GILMAN in two instances.

Mr. GRADISON.

Mr. COURTER in two instances.

Mr. LEACH of Iowa in two instances.

Mr. PURSELL.

Mr. HORTON.

Mr. LAGOMARSINO.

Mr. BLAZ.

Mr. FRENZEL.

Mr. HERGER.

Mr. WORTLEY.

Mr. FIELDS.

Mr. GEKAS.

Mr. SMITH of New Jersey.

Mr. MARLENEE.

Mr. INHOFE.

Mr. LUNGREN.

Mr. TAUKE in two instances.

Mrs. VUCANOVICH.

Mr. McMILLAN of North Carolina.

(The following Members (at the request of Mr. OWENS of New York) and to include extraneous matter:

Mr. BUSTAMANTE.

Mr. COELHO.

Mr. KILDEE.

Mr. TALLON.

Mr. BERMAN.

Mr. BILBRAY.

Mr. COYNE.

Mr. LELAND.

Mr. NELSON of Florida in two instances.

Mr. MILLER of California.

Mr. LaFALCE in three instances.

Mr. DARDEN.

Mr. MRAZEK.

Mr. EDWARDS of California.

Ms. KAPTUR.

Mr. DORGAN of North Dakota.

Mr. HAMILTON.

Mr. LEWIS of Georgia.

Mr. WEISS.

Mr. FEIGHAN.

Ms. OAKAR.

Mr. SAVAGE.

Mr. GORDON.

Mr. COLEMAN of Texas.

Mr. DE LUGO.

Mr. LEVINE of California.

Mr. ENGLISH.

Mr. SAWYER.

Mr. SCHUMER.

Mr. TORRICELLI.

Mr. WILLIAMS.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's

table and, under the rule, referred as follows:

S. 626. An act to prohibit the imposition of an entrance fee at the Statue of Liberty National Monument, and for other purposes; to the Committee on Interior and Insular Affairs.

ENROLLED JOINT RESOLUTION SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found a truly enrolled joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res. 200. Joint resolution to designate April 10, 1987, as "Education Day U.S.A."

ADJOURNMENT

Mr. CRAIG. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 8 minutes p.m.), under its previous order, the House adjourned until tomorrow, Thursday, April 9, 1987, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1126. A letter from the Auditor, District of Columbia, transmitting a report entitled, "Review of Agency Fund 803 the District of Columbia Inmate Trust Fund", pursuant to D.C. Code section 47-117(d); to the Committee on the District of Columbia.

1127. A letter from the Secretary of Health and Human Services, transmitting a report on the review and evaluation of alcohol, drug abuse, and mental health services block grant allotment formulas, pursuant to 42 U.S.C. 300X-1a nt., to the Committee on Energy and Commerce.

1128. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to authorize appropriations for the National Telecommunications and Information Administration for fiscal years 1988 and 1989, pursuant to 31 U.S.C. 1110; to the Committee on Energy and Commerce.

1129. A letter from the Assistant Secretary for Legislative and Intergovernmental Affairs, Department of State, transmitting a report describing United States efforts to negotiate multilateral measures to bring about the complete dismantling of apartheid, a separate report describing the economic and other relationships of other industrialized countries with South Africa will be transmitted, pursuant to 22 U.S.C. 5081(b)(2); to the Committee on Foreign Affairs.

1130. A letter from the Director, U.S. Arms Control and Disarmament Agency, transmitting the fiscal year 1988 arms control impact statement, pursuant to 22 U.S.C. 2576(b)(2); to the Committee on Foreign Affairs.

1131. A letter from the Secretary, Federal Trade Commission, transmitting the Commission's annual report of its activities for calendar year 1986 under the Freedom of

Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

1132. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to repeal the Interjurisdictional Fisheries Act of 1986; to the Committee on Merchant Marine and Fisheries.

1133. A letter from the Deputy Administrator, General Services Administration, transmitting informational copies of lease prospectuses at various locations, pursuant to 40 U.S.C. 606(a); to the Committee on Public Works and Transportation.

1134. A letter from the Secretary of Health and Human Services, transmitting a report on the progress and status of pilot projects to demonstrate the use of integrated service delivery systems for human services programs, pursuant to 42 U.S.C. 1320b-6(h); to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HOWARD: Committee on Public Works and Transportation. H.R. 1972. A bill to amend the International Air Transportation Fair Competitive Practices Act of 1974 (Rept. 100-45). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MATSUI:

H.R. 1981. A bill to amend the Trade Act of 1974, and for other purposes; to the Committee on Ways and Means.

By Mr. MARLENEE:

H.R. 1982. A bill to authorize the establishment of the Lewis and Clark National Historic Site in the State of Montana; to the Committee on Interior and Insular Affairs.

By Mr. BENNETT (for himself, Mr. MACKEY, Mr. CHAPPELL, Mr. HUTTO, Mr. LEHMAN of Florida, Mr. SHAW, Mr. NELSON of Florida, Mr. FASCELL, Mr. MICA, Mr. GRANT, Mr. PEPPER, Mr. MACK, Mr. YOUNG of Florida, Mr. LEWIS of Florida, Mr. IRELAND, Mr. BILIRAKIS, Mr. GIBBONS, Mr. MCCOLLUM, and Mr. SMITH of Florida):

H.R. 1983. A bill authorizing the Secretary of the Interior to preserve certain wetlands and historic and prehistoric sites in the St. Johns River Valley, FL, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BEREUTER:

H.R. 1984. A bill to direct the President to liquidate assets of Vietnam or a national thereof in order to pay certain awards made by the Foreign Claims Settlement Commission; to the Committee on Foreign Affairs.

By Mr. BROWN of Colorado (for himself, Mr. MICHEL, Mr. LOTT, Mr. DUNCAN, Mr. VANDER JAGT, Mr. FRENZEL, Mr. SCHULZE, Mr. THOMAS of California, Mr. DAUB, and Mr. CHANDLER):

H.R. 1985. A bill to amend title IV of the Social Security Act to improve the program of aid to families with dependent children by establishing a two-tier system for AFDC families, to require each State to establish a single comprehensive work program with a centralized intake and registration process for such families, and to make necessary improvements in the child support enforcement program; jointly, to the Committees on Ways and Means and Education and Labor.

By Mr. COELHO (for himself, Mr. LEHMAN of California, Mrs. BOXER, Mr. LEWIS of Georgia, Mr. HORTON, Mr. GORDON, Mr. SMITH of Florida, Mr. FAUNTROY, Mr. MRAZEK, Mr. ROBINSON, and Mr. FAZIO):

H.R. 1986. A bill to strengthen the enforcement of plant and animal quarantine laws by prohibiting the use of any class of first-class mail for the transport of plant materials unless the person who submits the mail agrees to allow agricultural inspection of its contents in order to prevent the introduction of destructive plant and animal diseases and pests and noxious weeds; jointly, to the Committees on Agriculture and Post Office and Civil Service.

By Ms. KAPTUR (for herself, Mr. BURTON of Indiana, Mr. MONTGOMERY, and Mr. SOLOMON):

H.R. 1987. A bill to designate the area of Arlington National Cemetery where the remains of four unknown service members are interred as the "Tomb of the Unknowns"; to the Committee on Veterans' Affairs.

By Mr. HEFLEY (for himself, Mr. FIELDS, Mr. RANGEL, Mr. VANDER JAGT, Mr. BENNETT, Mr. CAMPBELL, Mr. CONYERS, Mr. DE LA GARZA, Mr. DEWINE, Mr. FISH, Mr. FORD of Tennessee, Mr. HORTON, Mr. HUTTO, Mr. HYDE, Mr. JACOBS, Mr. LAGOMARSINO, Mr. LANTOS, Mr. LEWIS of California, Mr. LEWIS of Florida, Mr. MCKINNEY, Mr. McMILLEN of Maryland, Mr. MACKEY, Mr. MADIGAN, Mr. MURPHY, Mr. NATCHER, Ms. OAKAR, Mr. PARRIS, Mr. ROE, Mr. SCHAEFER, Mr. SHAW, Mr. DENNY SMITH, Mr. SMITH of Florida, Mr. SOLOMON, Mr. SYNAR, Mr. WILSON, and Mr. YATRON):

H.R. 1988. A bill to amend the Internal Revenue Code of 1986 to provide a mechanism for taxpayers to designate \$1 of any overpayment of income tax, and to contribute other amounts, for use by the U.S. Olympic Committee; to the Committee on Ways and Means.

By Mr. DAVIS of Michigan:

H.R. 1989. A bill to provide for the division, use, and distribution of judgment funds of the Ottawa and Chippewa Indians of Michigan pursuant to Dockets Numbered 18-E, 58, 364, and 18-R before the Indian Claims Commission; to the Committee on Interior and Insular Affairs.

By Mr. DORNAN of California:

H.R. 1990. A bill to regulate the interstate transportation, importation, exportation, and storage of human fetal tissue; jointly, to the Committees on Energy and Commerce, Foreign Affairs, and Ways and Means.

By Mr. DREIER of California:

H.R. 1991. A bill to suspend temporarily the duty on certain unstuffed dolls; to the Committee on Ways and Means.

By Mr. FEIGHAN (for himself, Mr. MATSUI, Mr. MACKEY, Mr. BATES, Mr. DYMALLY, Mr. TOWNS, Mr. RANGEL, Mr. BERMAN, Mr. CHANDLER,

Mrs. BYRON, Mr. SAVAGE, Mr. MORRISON of Washington, Mr. MURPHY, Ms. KAPTUR, Mr. EVANS, Mr. GRAY of Illinois, Mr. FAUNTROY, Mr. WOLFE, and Mr. CROCKETT):

H.R. 1992. A bill to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1986 to provide for portability of pension benefits; jointly to the Committees on Education and Labor and Ways and Means.

By Mr. GEKAS (for himself, Mr. PORTER, and Mr. BURTON of Indiana):

H.R. 1993. A bill to provide for a special standard of care to be applied by Federal courts in cases in which volunteer athletic services are rendered negligently and in certain cases in which officers, directors, or trustees of certain nonprofit associations act negligently; to the Committee on the Judiciary.

By Mr. GORDON (for himself, Mr. BONER of Tennessee, Mr. COOPER, Mr. SUNDQUIST, Mr. FORD of Tennessee, Mr. JONES of Tennessee, Mr. QUILLEN, Mrs. LLOYD, Mr. DUNCAN, Mr. DEFazio, Mr. COELHO, Mr. CLARKE, and Mr. HUCKABY):

H.R. 1994. A bill to amend the boundaries of Stones River National Battlefield, TN, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. GRAY of Illinois:

H.R. 1995. A bill to encourage the deployment of clean coal technologies so as to assure the development of additional electric generation and industrial energy capacity; to the Committee on Energy and Commerce.

By Mr. HAMMERSCHMIDT:

H.R. 1996. A bill to amend the Older Americans Act of 1965 to require that in fiscal year 1988 outreach and application assistance activities be conducted for the benefit of low-income older individuals who may be eligible to receive supplementary security income, Medicaid, and food stamp benefits; to the Committee on Education and Labor.

By Mr. LEHMAN of Florida:

H.R. 1997. A bill to amend title II of the Social Security Act as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

By Mr. MONTGOMERY (for himself and Mr. SOLOMON) (both by request):

H.R. 1998. A bill to amend title 38, United States Code, to repeal provisions relating to setting the interest rate on guaranteed or insured housing loans to veterans and inspecting manufactured homes purchased by veterans, to increase the VA loan fee, to authorize direct appropriations to the loan guaranty revolving fund, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 1999. A bill to amend title 38, United States Code, to authorize the Administrator to make contributions for construction projects on land adjacent to national cemeteries in order to facilitate safe ingress or egress; to the Committee on Veterans' Affairs.

H.R. 2000. A bill to amend title 38, United States Code, to make certain improvements in the educational assistance programs for veterans and eligible persons; to repeal the education loan program; and for other purposes; to the Committee on Veterans' Affairs.

H.R. 2001. A bill to amend title 38, United States Code, to extend the adult day health-

care program and authorize contract halfway house care for veterans with chronic psychiatric disabilities; to the Committee on Veterans' Affairs.

H.R. 2002. A bill to amend title 38, United States Code, to authorize the Administrator of Veterans' Affairs to provide on call pay to certain civil service health-care personnel; to the Committee on Veterans' Affairs.

H.R. 2003. A bill to amend title 38, United States Code, to authorize the Chief Medical Director to waive State licensure requirements for registered, practical or vocational nurses and physical therapists not to be employed in patient care, and for licensed or vocational nurses and physical therapists to be employed in a foreign country; to the Committee on Veterans' Affairs.

H.R. 2004. A bill to amend title 38, United States Code, to clarify the authority of the Chief Medical Director or designee regarding disciplinary actions on certain probationary title 38 health-care employees; to the Committee on Veterans' Affairs.

H.R. 2005. A bill to amend title 38, United States Code, to authorize a headstone allowance for pre-purchased grave markers, and modify eligibility requirements for the plot allowance, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 2006. A bill to amend title 38, United States Code, to improve the administration of veterans' health-care benefits, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 2007. A bill to amend title 38, United States Code, to revise and clarify VA authority to furnish certain health-care benefits, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 2008. A bill to amend title 38, United States Code, to provide authority for higher monthly installments payable to certain insurance annuitants, and to exempt premiums paid under servicemen's and veterans' group life insurance from State taxation; to the Committee on Veterans' Affairs.

H.R. 2009. A bill to amend title 38, United States Code, to limit the types of proposed disciplinary actions in which disciplinary boards function, to allow for the delegation of authority of the Chief Medical Director in certain situations and for related purposes; to the Committee on Veterans' Affairs.

H.R. 2010. A bill to amend title 38, United States Code, to authorize modification of the structure of the Office of the Chief Medical Director, to clarify procedures for removal for cause of certain employees, to authorize the use of the director pay grade within VA central office and for related purposes; to the Committee on Veterans' Affairs.

H.R. 2011. A bill to amend title 38, United States Code, to index rates of veterans' disability compensation and surviving spouses' and children's dependency and indemnity compensation to automatically increase to keep pace with the cost of living, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 2012. A bill to amend title 38, United States Code, to authorize the Administrator to assist Members of Congress in providing title 38 benefit information to their constituents, and to conduct authorized field examinations and investigations; to the Committee on Veterans' Affairs.

H.R. 2013. A bill to amend title 38, United States Code, to make certain improvements in the administering of tort claims and hospital cost collections, and for other purposes; jointly, to the Committees on Veterans' Affairs and the Judiciary.

H.R. 2014. A bill to amend title 38, United States Code, to provide for the exclusion of residents and interns from coverage under the Federal labor-management relations statute; jointly, to the Committees on Veterans' Affairs and Post Office and Civil Service.

By Mr. MOODY:

H.R. 2015. A bill to amend the Internal Revenue Code of 1986 to increase the excise tax on gasoline by 9 cents per gallon, and to provide that the revenues from these additional taxes be used to reduce, Federal budget deficits; to the Committee on Ways and Means.

By Mr. PENNY:

H.R. 2016. A bill to amend the Securities Exchange Act of 1934 to improve the protection of the public interest and of investors in corporate takeovers and to provide reasonable notice in the event of plant closings and mass layoffs, and for other purposes; jointly, to the Committee on Energy and Commerce, and Education and Labor.

By Mr. PORTER:

H.R. 2017. A bill to improve the operation of the sugar price support program, and for other purposes; to the Committee on Agriculture.

By Ms. SNOWE (for herself, Mr. DORNAN of California, Mr. ROE, Mr. SCHEUER, Mr. SOLARZ, Mr. LEWIS of Georgia, Mr. SMITH of Florida, Mr. LAGOMARSINO, Mr. LIPINSKI, Mr. SAXTON, Mr. COYNE, Ms. SLAUGHTER of New York, Mr. BIAGGI, Mr. BILLRAKIS, Mr. McGRATH, Mr. TOWNS, Mr. GRAY of Pennsylvania, Mr. ESPY, Ms. KAPTUR, Mr. DONNELLY, Mr. TRAXLER, and Mr. LANTOS):

H.R. 2018. A bill to amend the Victims of Crime Act of 1984 to provide a priority for eligible crime victim assistance programs providing assistance to the elderly; to the Committee on the Judiciary.

By Ms. SNOWE (for herself, Mr. DORNAN of California, Mr. ROE, Mr. SCHEUER, Mr. SOLARZ, Mr. LEWIS of Georgia, Mr. SMITH of Florida, Mr. LAGOMARSINO, Mr. LIPINSKI, Mr. MRZEK, Mr. COYNE, Ms. SLAUGHTER of New York, Mr. BIAGGI, Mr. BILLRAKIS, Mr. McGRATH, Mr. TOWNS, Mr. GRAY of Pennsylvania, Mr. ESPY, Ms. KAPTUR, Mr. DONNELLY, Mr. TRAXLER, and Mr. LANTOS):

H.R. 2019. A bill to provide for the acquisition of statistical data about the incidence of elder abuse; to the Committee on the Judiciary.

By Mr. STUDDS (for himself, Mr. JONES of North Carolina, Mr. DAVIS of Michigan, and Mr. YOUNG of Alaska):

H.R. 2020. A bill to authorize appropriations for the Office of Environmental Quality for fiscal years 1987, 1988 and 1989; to the Committee on Merchant Marine and Fisheries.

By Mr. WEISS:

H.R. 2021. A bill to require the Secretary of Health and Human Services to make grants for the development, establishment, and operation of a national advisory panel on acquired immune deficiency syndrome; to the Committee on Energy and Commerce.

By Mr. KANJORSKI:

H.J. Res. 233. Joint resolution designating April 9, 1987, as "Northeastern Pennsylvania Philharmonic Appreciation Day"; to the Committee on Post Office and Civil Service.

By Mr. GRADISON (for himself, Mr. PANETTA, Mr. CAMPBELL, Mr. SUNIA,

Mr. STRATTON, Mr. WHITTAKER, Mr. DAUB, Mr. PEPPER, Mr. WELDON, Mr. WYDEN, Mr. KOLTER, Ms. SNOWE, Mrs. MORELLA, Mr. HOWARD, Mr. FUSTER, Mr. MATSUI, Mrs. KENNELLY, Mr. GRAY of Illinois, Mr. LELAND, Mr. SMITH of Florida, Ms. OAKAR, Mr. SOLARZ, Mr. SCHUETTE, Mr. MRAZEK, Mr. DANIEL, Mr. WOLF, Mr. BONER of Tennessee, Mr. RODINO, Mr. ROWLAND of Georgia, Mr. LEHMAN of Florida, Mr. HENRY, Mr. ROE, Mr. BIAGGI, Mr. SAVAGE, Mr. DYMALLY, Mrs. COLLINS, Mr. DEWINE, Mr. WEBER, Mr. ESPY, Mr. LAGOMARSINO, Mrs. BENTLEY, Mr. MARTINEZ, Mr. CHAPMAN, Mr. LEVINE of California, Mr. TOWNS, Mr. GHILMAN, Mrs. ROUKEMA, Mr. FAZIO, Mr. VALENTINE, Mr. HORTON, Mr. DWYER of New Jersey, Mr. ORTIZ, Mr. NEAL, Mr. BROOKS, Mr. LIPINSKI, Mrs. PATTERSON, Mr. McMILLEN of Maryland, Mr. BRENNAN, Mr. OWENS of New York, Mr. NIELSON of Utah, Mr. GARCIA, Mr. KASICH, Mr. RANGEL, Mr. COBLE, Mr. ANTHONY, Mr. ERDREICH, Mr. NELSON of Florida, Mr. CROCKETT, Mr. MAZZOLI, Mr. VANDER JAGT, Mr. VOLKMER, Mr. LAFALCE, Mr. MFUME, Mr. BEVILL, Mr. WORTLEY, Mr. GALLEGLY, Mr. CONTE, Mr. LEWIS of Georgia, Mr. FISH, Mr. LEVIN of Michigan, Mr. TAUKE, Mr. MADIGAN, Mr. GONZALEZ, Mr. BUSTAMANTE, Mr. MILLER of Ohio, Mr. GREEN, Mr. DOWDY of Mississippi, Mr. RITTER, Mr. HASTERT, Mrs. BOXER, Mr. COYNE, Mr. DANNEMEYER, Mr. CLINGER, Mr. MCGRATH, Mr. WOLPE, Mr. FROST, Mr. TRAFICANT, Mr. WEISS, Mr. WAXMAN, Mr. SHUMWAY, Mr. YOUNG of Florida, Mr. HUGHES, Mr. SHAW, Mr. HEFNER, Mr. UDALL, Mr. McDADDE, Mr. MCHUGH, Mr. HALL of Texas, Mr. TRAXLER, Mr. SCHEUER, Mr. SCHUMER, Mr. DE LUGO, Mr. BONIOR of Michigan, Mr. MCCOLLUM, Mr. HAYES of Illinois, Mr. BORSKI, Mr. KASTENMEIER, Mr. EARLY, Mr. YOUNG of Alaska, Mr. GRAY of Pennsylvania, Mr. VENTO, Mr. RAHALL, and Mr. ENGLISH):

H.J. Res. 234. Joint resolution to designate the month of November in 1987 and 1988 as "National Hospice Month"; to the Committee on Post Office and Civil Service.

By Mr. PEPPER:

H.J. Res. 235. Joint resolution commending the Cuban "Declaration of Freedom"; to the Committee on Foreign Affairs.

H.J. Res. 236. Joint resolution to authorize and request the President to proclaim January 28, 1988 and 1989, as "Day of Marti, Apostle of Liberty"; to the Committee on Post Office and Civil Service.

By Mrs. ROUKEMA:

H.J. Res. 237. Joint resolution designating the week of May 24 to May 30, 1987, as "Fight Leukemia Week"; to the Committee on Post Office and Civil Service.

By Mr. SOLOMON:

H.J. Res. 238. Joint resolution proposing an amendment to the Constitution of the United States allowing an item veto in appropriations acts; to the Committee on the Judiciary.

H.J. Res. 239. Joint resolution proposing an amendment to the Constitution to require that congressional resolutions setting forth levels of total budget outlays and Federal revenues must be agreed to by two-thirds vote of both Houses of the Congress if the level of outlays exceeds the level of

revenues; to the Committee on the Judiciary.

By Mr. YATRON:

H.J. Res. 240. Joint resolution designating January 30, 1988, as "National Day of the Disabled"; to the Committee on Post Office and Civil Service.

By Ms. OAKAR:

H. Con. Res. 99. Concurrent resolution expressing the sense of the Congress with respect to the freedom and independence of the people of Estonia, Latvia, and Lithuania; to the Committee on Foreign Affairs.

By Mr. RANGEL (for himself and Mr. GREGG):

H. Con. Res. 100. Concurrent resolution recognizing and celebrating the 200th anniversary of the present charter of Columbia University; to the Committee on Post Office and Civil Service.

By Mr. SMITH of New Jersey:

H. Con. Res. 101. Concurrent resolution expressing the sense of Congress regarding permanent reauthorization and appropriate funding for the Congregate Housing Services Program; to the Committee on Banking, Finance and Urban Affairs.

By Mr. TAUKE (for himself, Mr. UPTON, Mr. FAWELL, Mr. CHANDLER, Mr. MCKINNEY, Mr. GRANDY, Mr. FISH, Mr. McMILLAN of North Carolina, Mr. MILLER of Washington, and Mr. GUNDERSON):

H. Con. Res. 102. Concurrent resolution setting forth the congressional budget for the U.S. Government for the fiscal years 1988, 1989, and 1990; to the Committee on the Budget.

By Mrs. COLLINS (for herself, Mr. DYMALLY, Mr. RANGEL, Mr. MFUME, Mr. OWENS of New York, Mr. STOKES, Mr. FORD of Tennessee, Mr. ESPY, Mr. SAVAGE, Mr. CONYERS, Mr. FAUNTROY, Mr. GRAY of Pennsylvania, and Mr. CROCKETT):

H. Res. 141. Resolution calling for the immediate release of all the children detained under the state of emergency regulations in South Africa; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of the rule XXII,

27. The SPEAKER presented a memorial of the legislature of the State of South Dakota, relative to currently proposed or authorized water projects in South Dakota; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DUNCAN:

H.R. 2022. A bill for the relief of Rolen-Rolen-Roberts International of Knoxville, TN; to the Committee on the Judiciary.

By Mr. DYMALLY:

H.R. 2023. A bill for the relief of Richard Cole, Jr.; to the Committee on the Judiciary.

By Mr. NELSON of Florida:

H.R. 2024. A bill to clear certain impediments to the issuance of a certificate of documentation for a vessel for employment in the coastwise trade and fisheries of the United States; to the Committee on Merchant Marine and Fisheries.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 8: Mr. BARNARD and Mr. PETRI.

H.R. 47: Mr. ROE.

H.R. 52: Mr. CAMPBELL, Ms. KAPTUR, Mr. RITTER, Mr. SABO, Mr. GARCIA, Mr. FOGLIETTA, Mr. BRYANT, Mrs. BOXER, and Mr. DYMALLY.

H.R. 74: Mr. DYSON.

H.R. 173: Mr. ROBERT F. SMITH.

H.R. 186: Mr. CHENEY.

H.R. 312: Mr. HAWKINS, Mr. GRAY of Pennsylvania, Mr. STOKES, Mr. RANGEL, Mr. KILDEE, and Mr. PENNY.

H.R. 382: Mr. BOEHLERT, Mr. SWIFT, Mr. SLATTERY, Mr. DWYER of New Jersey, and Mr. CLAY.

H.R. 385: Mr. CONYERS, Mr. BOUCHER, and Mr. NATCHER.

H.R. 386: Mr. ROE and Mr. GONZALEZ.

H.R. 387: Mr. BATES.

H.R. 388: Mr. RITTER, Mr. HUNTER, and Mr. HOCHBERUECKNER.

H.R. 537: Ms. SLAUGHTER of New York.

H.R. 570: Mr. CLINGER, Mr. UPTON, and Mr. HERGER.

H.R. 592: Mr. WALKER, Mr. FOGLIETTA, Mr. HUGHES, Mr. CROCKETT, Mr. SOLARZ, Mr. CLINGER, and Mr. MOLLOHAN.

H.R. 613: Mr. GONZALEZ, Mr. BUSTAMANTE, Mr. McDADDE, Mr. LAGOMARSINO, Mr. CARDIN, and Mr. HORTON.

H.R. 618: Ms. OAKAR and Mr. LANTOS.

H.R. 644: Mr. FRANK, Mr. RINALDO, Mr. TOWNS, Mr. LEVINE of California, Mr. LEVIN of Michigan, Mr. EDWARDS of California, Mr. GRAY of Illinois, Mr. RANGEL, Mr. WEISS, Mr. DIXON, Mr. FORD of Tennessee, Mr. MCKINNEY, Mr. LEWIS of Georgia, and Mr. WAXMAN.

H.R. 659: Mr. MRAZEK, Mr. ST GERMAIN, and Mr. KOLTER.

H.R. 671: Mr. ROBINSON and Mrs. MORRELLA.

H.R. 672: Mr. BIAGGI and Mr. HATCHER.

H.R. 673: Mr. BIAGGI and Mr. HATCHER.

H.R. 674: Mr. BIAGGI and Mr. HATCHER.

H.R. 675: Mr. BIAGGI and Mr. HATCHER.

H.R. 676: Mr. BIAGGI and Mr. HATCHER.

H.R. 677: Mr. BIAGGI and Mr. HATCHER.

H.R. 678: Mr. GARCIA.

H.R. 679: Mr. GARCIA.

H.R. 680: Mr. HOYER and Mr. ROBINSON.

H.R. 697: Mr. DORNAN of California, Mr. SMITH of Florida, Mr. SUNIA, Mr. LAGOMARSINO, Mr. STANGELAND, Mr. MCGRATH, Mr. ROE, and Mr. DIOGUARDI.

H.R. 698: Mr. DORNAN of California, Mr. SMITH of Florida, Mr. SUNIA, Mr. LAGOMARSINO, Mr. STANGELAND, Mr. MCGRATH, Mrs. BENTLEY, Mr. ROE, Mr. SWINDALL, and Mr. DIOGUARDI.

H.R. 709: Mr. KENNEDY.

H.R. 719: Mr. KOLTER.

H.R. 720: Mr. BILIRAKIS.

H.R. 758: Mr. ATKINS, Mr. SHARP, Mr. HYDE, Mr. DEFazio, Mr. HENRY, Mr. HASTERT, Mr. LEVINE of California, and Mr. WILSON.

H.R. 762: Mr. SUNIA.

H.R. 784: Mr. SUNIA, Mr. TOWNS, Mr. BIAGGI, and Ms. KAPTUR.

H.R. 792: Mr. TOWNS, Mr. PETRI, and Mr. BIAGGI.

H.R. 911: Mr. EMERSON and Mr. BOULTER.

H.R. 921: Mr. MOODY and Mr. KOLBE.

H.R. 940: Mr. DE LA GARZA.

H.R. 960: Mr. DELAY.

H.R. 969: Mr. ROWLAND of Connecticut.

H.R. 977: Mr. FISH, Ms. SNOWE, Mr. McCOLLUM, Mr. RANGEL, Mr. SMITH of New Hampshire, and Mr. CROCKETT.

H.R. 1011: Mr. ROBERT F. SMITH.

H.R. 1012: Mr. ROBERT F. SMITH.

H.R. 1014: Mr. SENSENBRENNER.

H.R. 1028: Mr. SCHAEFER and Mr. WELDON.

H.R. 1049: Mr. BILBRAY and Mr. SCHUMER.

H.R. 1051: Mr. LEVINE of California, Mr. MARTINEZ, and Mrs. SCHROEDER.

H.R. 1068: Mr. DYSON, Mr. FAUNTROY, Mr. HOUGHTON, Mr. CROCKETT, Mr. SOLARZ, and Mr. DAVIS of Illinois.

H.R. 1073: Mr. LOWRY of Washington, Mr. KOLTER, and Mr. WOLPE.

H.R. 1093: Mr. HOPKINS and Mr. SMITH of Florida.

H.R. 1103: Mr. MICA.

H.R. 1130: Mr. UPTON.

H.R. 1154: Mr. BROWN of California, Mr. BUSTAMANTE, Mr. CONTE, Mr. DYMALLY, Mr. EDWARDS of California, Ms. KAPTUR, Mr. LEVIN of Michigan, Mr. MARTINEZ, Mr. MARKEY, Mr. MAVROULES, Mr. TAYLOR, Mr. TORRES, Mr. UDALL, Mr. WHEAT, Mr. WOLPE, and Mr. YOUNG of Alaska.

H.R. 1199: Mr. MOODY, Mr. ESPY, Mr. MORRISON of Connecticut, Mr. LEWIS of Georgia, and Mr. GARCIA.

H.R. 1202: Mr. FAZIO, Mr. JEFFORDS, and Mr. FAUNTROY.

H.R. 1212: Mr. OWENS of Utah, Mr. DWYER of New Jersey, Mr. PEASE, Mr. GILMAN, and Mr. LANTOS.

H.R. 1228: Mr. ROE, Mr. JONES of Tennessee, Mr. DENNY SMITH, Mr. CONTE, Mr. WHITTAKER, Mr. LOTT, Mr. ECKART, Mr. ERDREICH, Mr. LEHMAN of Florida, Mrs. VUCANOVICH, Mr. MCKINNEY, Mr. MICA, Mrs. SMITH of Nebraska, Mrs. BYRON, Mr. MOORHEAD, Mr. LANCASTER, Mr. SOLOMON, Mr. YATRON, Mr. COLEMAN of Texas, Mr. ALEXANDER, Mr. BUNNING, Mr. SAXTON, Ms. SNOWE, and Mr. BARNARD.

H.R. 1240: Mr. LIVINGSTON, Mr. LANCASTER, Mr. HUTTO, and Mr. CLINGER.

H.R. 1242: Mr. PENNY, Mr. MONTGOMERY, and Mr. LEVIN of Michigan.

H.R. 1245: Mr. PETRI.

H.R. 1247: Mr. RAY.

H.R. 1250: Mr. APPLEGATE, Mr. BADHAM, Mr. BOULTER, Mr. BURTON of Indiana, Mr. COURTER, Mr. DANNEMEYER, Mr. DEWINE, Mr. DORNAN of California, Mr. DWYER of New Jersey, Mr. ECKART, Mr. EDWARDS of Oklahoma, Mr. FEIGHAN, Mr. FIELDS, Mr. GREEN, Mr. HANSEN, Mr. HENRY, Mr. HUNTER, Mr. INHOPE, Ms. KAPTUR, Mr. KEMP, Mr. KOLBE, Mr. LAGOMARSINO, Mr. LEWIS of Florida, Mr. MCDADE, Mr. MICHEL, Mr. MOORHEAD, Mr. OXLEY, Mr. PORTER, Mr. ROBINSON, Mr. SHUMWAY, Mr. SKEEN, Mr. SIKORSKI, Mr. DENNY SMITH, Mr. SMITH of New Hampshire, Mr. STENHOLM, Mr. SWINDALL, Mr. WALKER, Mr. WORTLEY, Mr. ROTH, and Mr. SCHUETTE.

H.R. 1313: Mr. ERDREICH, Mr. CRAIG, Mr. LIVINGSTON, Mr. PORTER, Mr. ROBERTS, Mr. KILDEE, and Mr. BUECHNER.

H.R. 1347: Mr. VANDER JAGT, Mr. NIELSON of Utah, Mr. ROBERTS, Mrs. BENTLEY, Mr. LOTT, Mr. RHODES, Mr. STUMP, Mr. HASTERT, Mr. FROST, Mr. DAVIS of Illinois, Mr. FRENZEL, Mr. LANCASTER, Mr. DIOGUARDI, Mrs. MARTIN of Illinois, and Mr. MCKINNEY.

H.R. 1352: Mr. EDWARDS of California.

H.R. 1371: Mr. OWENS of New York and Mr. VENTO.

H.R. 1398: Mr. EDWARDS of California.

H.R. 1399: Mr. DERRICK, Mr. HORTON, and Ms. KAPTUR.

H.R. 1433: Mr. ROSE and Mr. KOLBE.

H.R. 1437: Mrs. LLOYD, Mr. COMBEST, Mr. HOWARD, Mr. BADHAM, Mr. McCOLLUM, and Mrs. VUCANOVICH.

H.R. 1438: Mr. CLINGER, Mr. COMBEST, Mr. BADHAM, and Mrs. VUCANOVICH.

H.R. 1467: Mr. WELDON.

H.R. 1468: Mr. SIKORSKI and Mr. HOYER.

H.R. 1509: Mr. HUGHES.

H.R. 1510: Mr. MOORHEAD, Mr. BERMAN, Mr. CARDIN, Mr. SLAUGHTER of Virginia, Mr. COBLE, and Mr. HUGHES.

H.R. 1534: Ms. OAKAR, Mr. VENTO, Mr. CROCKETT, and Mrs. PATTERSON.

H.R. 1551: Mr. SUNIA, Mr. LAGOMARSINO, Mr. DANNEMEYER, and Mr. DELAY.

H.R. 1572: Mr. CROCKETT, and Mr. UPTON.

H.R. 1663: Mr. IRELAND, Mr. CONTE, Mr. LAFALCE, Mr. UPTON, Mr. CAMPBELL, Mr. BILBRAY, Mr. MFUME, Mr. SLAUGHTER of Virginia, Mr. GALLO, Mr. SISISKY, Mr. BENNETT, Mr. ROBINSON, Mr. MONTGOMERY, Mr. CHAPMAN, Mr. DORNAN of California, Mr. YATRON, Mr. FRANK, Mr. SMITH of Florida, Mr. FAUNTROY, Mrs. JOHNSON of Connecticut, Mr. STAGGERS, Mr. LOWRY of Washington, Mr. FOGLIETTA, Mr. STENHOLM, Mr. GORDON, Mr. HUGHES, Mr. HENRY, Ms. SLAUGHTER of New York, Mr. ATKINS, and Mr. WYDEN.

H.R. 1664: Mr. WORTLEY, Mr. MARTIN of New York, and Mr. LEWIS of Georgia.

H.R. 1694: Mr. DINGELL, Mr. Lipinski, Mr. OWENS of New York, Mr. SOLARZ, Mr. MURPHY, Mr. DAVIS of Illinois, Mr. BURTON of Indiana, and Mr. DEFazio.

H.R. 1733: Mr. ATKINS, Mrs. BOXER, Mr. BROWN of California, Mr. BUSTAMANTE, Mr. CHAPMAN, Mr. EDWARDS of California, Mr. FAUNTROY, Mr. GARCIA, Mr. GRAY of Illinois, Mr. LEVINE of California, Mr. LEWIS of Georgia, Mr. LOWRY of Washington, Mr. MRAZEK, and Miss SCHNEIDER.

H.R. 1734: Mr. HOYER, Mr. GONZALEZ, Mrs. COLLINS, Mr. SCHEUER, Mr. MRAZEK, Mr. YATRON, Mr. SMITH of New Jersey, Ms. KAPTUR, Mr. FAZIO, Mr. DWYER of New Jersey, Mr. SMITH of Florida, Mr. EDWARDS of California, Mr. BOEHLERT, Mr. BROWN of California, and Mr. SISISKY.

H.R. 1770: Mr. OWENS of New York and Mrs. SCHROEDER.

H.R. 1786: Mr. BEREUTER, Mr. LIVINGSTON, Mrs. LLOYD, Mr. DOWDY of Mississippi, Mr. SPENCE, Mr. DIOGUARDI, Mr. SHARP, Mr. CRAIG, Mr. BEVILL, Mr. LOTT, Mr. SOLOMON, and Mrs. VUCANOVICH.

H.R. 1843: Mr. DYMALLY, Mr. SUNIA, Mr. VENTO, Mr. ACKERMAN, Mr. FAUNTROY, Mrs. COLLINS, Mr. PERKINS, Mr. FRANK, Mr. SCHEUER, and Mr. OWENS of New York.

H.R. 1846: Mrs. ROUKEMA, Mr. JONTZ, and Mr. BIAGGI.

H.R. 1866: Mr. MARTINEZ, Mr. LEVIN of Michigan, Mr. SUNIA, Mr. SCHEUER, Mr. RAHALL, Mr. FRANK, Mr. ECKART, and Mr. LEWIS of Georgia.

H.R. 1872: Mr. ROE, Mr. MRAZEK, Mr. SMITH of Florida, Mr. WILSON, Mr. HOYER, Mr. SOLOMON, Mr. EDWARDS of California, Mr. SCHUMER, Mr. HAWKINS, Mr. LEHMAN of Florida, and Mr. EVANS.

H.R. 1972: Mr. ANDERSON, Mr. RAHALL, Mr. DE LUGO, Mr. SUNIA, Mr. SHUSTER, Mr. STANGELAND, Mr. MOLINARI, Mr. BOSCO, Mr. BORSKI, Mr. KOLTER, Mr. WISE, Mr. PETRI, Mr. SUNDUQUIST, Mrs. JOHNSON of Connecticut, Mr. PACKARD, Mr. GALLO, Mrs. BENTLEY, Mr. LIGHTFOOT, Mr. LANCASTER, Ms. SLAUGHTER of New York, Mr. LEWIS of Georgia, Mr. HAYES of Louisiana, Mr. HASTERT, Mr. INHOPE, Mr. BALLENGER, Mr. UPTON, and Mr. APPLEGATE.

H.J. Res. 25: Mr. CHANDLER, Mr. STUMP, Mr. McCOLLUM, Ms. SLAUGHTER of New York, and Mr. ARCHER.

H.J. Res. 52: Mr. BARTLETT, Mr. PICKLE, Mr. SUNDUQUIST, Mr. McCOLLUM, Mr. COLEMAN of Missouri, Mr. EMERSON, Mr. DUNCAN,

Mr. JONES of Tennessee, Mr. CALLAHAN, Mr. STALLINGS, Mr. WAXMAN, Mr. HALL of Texas, Mr. KENNEDY, Mr. MARTIN of New York, Mr. DORNAN of California, Mr. HOLLOWAY, Mr. TAYLOR, Mr. RINALDO, and Mr. PARRIS.

H.J. Res. 62: Mrs. MARTIN of Illinois.

H.J. Res. 67: Mr. RANGEL, Mr. LEHMAN of Florida, Mr. LANCASTER, Mr. SAXTON, Mr. DORNAN of California, Mr. DWYER of New Jersey, Mr. DE LUGO, Mr. DYMALLY, Mr. FRENZEL, Mr. GRAY of Illinois, Mr. LEWIS of Florida, Mr. LEVINE of California, Mr. MARTIN of New York, Mr. STOKES, Mr. WILSON, and Mr. CAMPBELL.

H.J. Res. 74: Mr. GRAY of Illinois.

H.J. Res. 90: Mr. FRENZEL, Mr. COLEMAN of Missouri, Mr. MARTIN of New York, Mr. YATRON, Mrs. PATTERSON, Mr. MAZZOLI, Mr. HOCHBRUECKNER, Mr. PRICE of Illinois, Mr. RIDGE, Mr. BEREUTER, Mr. CHAPPELL, Mr. JACOBS, Mr. COURTER, Ms. SLAUGHTER of New York, Mr. GEKAS, Mr. HOYER, Mr. EVANS, Mr. FOGLIETTA, and Mr. BILBRAY.

H.J. Res. 91: Mr. SUNIA, Mr. WOLPE, Mr. BLAZ, Mr. SCHUMER, Mr. STAGGERS, Mr. FUSTER, Mrs. COLLINS, Mr. STOKES, Mr. TOWNS, Mr. LELAND, Mr. KOSTMAYER, Mr. TORRES, Mr. RAHALL, Mr. VENTO, Mr. BARNARD, Mr. OBERSTAR, Mr. FRANK, Mr. GRAY of Illinois, Mr. MFUME, Mr. DWYER, Mr. DE LA GARZA, Mrs. BOXER, Mr. DWYER of New Jersey, Mrs. PATTERSON, Mr. HAYES of Illinois, Mr. FROST, Mr. CAMPBELL, Mr. RITTER, Mr. MORRISON of Connecticut, Mr. OWENS of New York, Mr. EVANS, Ms. SLAUGHTER of New York, Mr. KILDEE, Mr. GRANT, Mr. HENRY, Mr. BOSCO, Mr. CARDIN, Mr. ROEMER, Mr. BROOKS, Mr. VALENTINE, Mr. HALL of Ohio, Mr. LANTOS, Mr. STUDDS, Mr. CROCKETT, Mr. FISH, Mr. KOLBE, Mr. SPRATT, Mr. HORTON, Mr. UDALL, Mr. FOGLIETTA, Mr. HEFNER, Mr. DICKS, Mr. FAUNTROY, Mr. LEHMAN of California, Mr. CARPER, Mr. LEWIS of Georgia, Mr. TRAXLER, Mr. SAVAGE, Mr. SMITH of Florida, Mr. AU COIN, Mr. DANIEL, Mr. CHAPMAN, Mr. PANETTA, Mr. ERDREICH, Mr. ROE, Mr. HAMILTON, Mr. RHODES, Mr. LIPINSKI, Mr. HOWARD, Mr. MAZZOLI, Mr. MANTON, Mr. GARCIA, Mr. MCGRATH, Mr. PEPPER, Mr. DONNELLY, Mr. SOLARZ, Mr. WEISS, Mr. LEACH of Iowa, Mrs. LLOYD, Mr. MARKEY, Mr. MCHUGH, Mr. YATRON, Mr. BIAGGI, Mr. BUSTAMANTE, Mr. SIKORSKI, Mr. HOCHBRUECKNER, Mr. CONTE, Mr. BILBRAY, Mr. KANJORSKI, Mr. ATKINS, Mr. SAXTON, Mr. HOYER, Mrs. KENNELLY, Mr. DIXON, Mr. ANDERSON, Mr. BROWN of California, Mr. JEFFORDS, Mr. BERMAN, Mr. CLARKE, Mrs. VUCANOVICH, and Mr. McMILLEN of Maryland.

H.J. Res. 100: Mr. DENNY SMITH, Mr. DEFazio, Ms. SLAUGHTER of New York, and Mr. ECKART.

H.J. Res. 119: Mr. WOLPE, Mr. HENRY, Mr. BEVILL, Mr. VANDER JAGT, Mr. WAXMAN, Mr. WOLF, and Mr. ANDERSON.

H.J. Res. 125: Mr. THOMAS A. LUKEN, Mr. BIAGGI, Mrs. SAIKI, and Mr. DIXON.

H.J. Res. 134: Mr. HUBBARD, Mr. FLAKE, Mr. WALGREN, Mr. MILLER of California, Mr. LELAND, Mr. TRAXLER, Mr. NIELSON of Utah, Mrs. ROUKEMA, Mr. WELDON, Mr. MILLER of Ohio, Mr. WILSON, Mr. GUARINI, Mr. DE LA GARZA, Mr. PARRIS, Mr. DIXON, Mr. HOCHBRUECKNER, Mr. LEWIS of Georgia, and Mr. LEWIS of Florida.

H.J. Res. 145: Mr. GARCIA, Mr. GREEN, Mr. BONER of Tennessee, Mr. STOKES, Mr. JONES of North Carolina, Mr. CHAPPELL, Mr. OWENS of New York, Mr. CROCKETT, and Mr. DE LA GARZA.

H.J. Res. 155: Mr. MARTINEZ, Mr. LEHMAN of California, and Mr. GONZALEZ.

H.J. Res. 176: Mr. OBERSTAR, Mr. MORRISON of Connecticut, Mr. DWYER of New Jersey, Mr. BOSCO, Mr. DELLUMS, Mr. WISE, Mr. FORD of Michigan, Mr. McMILLEN of Maryland, Mr. ESPY, Mr. GONZALEZ, Mr. KLECZKA, Mr. SABO, Mr. FEIGHAN, Mr. GRAY of Illinois, Mr. STUDDS, Mr. MAVROULES, Mr. MOODY, Mr. KILDEE, Mr. WEISS, Mr. MARTINEZ, Mr. GUARINI, Mr. EDWARDS of California, Mr. PEPPER, Mr. ATKINS, Mr. BRYANT, Mr. STARK, and Mr. DIXON.

H.J. Res. 180: Mr. TOWNS, Mr. VENTO, and Mr. NEAL.

H.J. Res. 183: Mr. NEAL and Mr. GRAY of Illinois.

H.J. Res. 190: Mr. LEVINE of California, Mr. PICKETT, Mr. WELDON, Mr. FRENZEL, Mrs. BENTLEY, Mr. YATES, Mr. ARCHER, Mr. LEWIS of Florida, Mr. DWYER of New Jersey, Mr. LANCASTER, Mr. LEHMAN of Florida, Mr. LAGOMARSINO, and Mr. MARTIN of New York.

H.J. Res. 191: Mr. KOSTMAYER, Mr. LAGOMARSINO, Mr. McGRATH, Mrs. VUCANOVICH, Mr. LEVIN of Michigan, Mr. WORTLEY, Mr. LIPINSKI, Mr. HAYES of Illinois, Mr. HORTON, Mr. SUNIA, Mr. REGULA, Mr. DE LA GARZA, Mr. SCHAEFER, Mr. ATKINS, Mr. TOWNS, Mr. GRANDY, Mr. DAUB, Mr. TRAFICANT, Mr. GRAY of Illinois, Mr. GREEN, Mr. SOLARZ, and Mr. CHANDLER.

H.J. Res. 192: Mr. ACKERMAN, Mr. AKAKA, Mr. ASPIN, Mr. ATKINS, Mr. BERMAN, Mr. BIAGGI, Mr. BOLAND, Mr. BONKER, Mr. CAMPBELL, Mrs. COLLINS, Mr. CROCKETT, Mr. DELLUMS, Mr. DICKS, Mr. DOWNEY of New York, Mr. DURBIN, Mr. DEFazio, Mr. EDWARDS of California, Mr. FAUNTROY, Mr. FAZIO, Mr. FOGLIETTA, Mr. FORD of Michigan, Mr. FRANK, Mr. FUSTER, Mr. GLICKMAN, Mr. GRAY of Illinois, Mr. GRAY of Pennsylvania, Mr. GUARINI, Mr. HAYES of Illinois, Ms. KAPTUR, Mrs. KENNELLY, Mr. KOSTMAYER, Mr. LaFALCE, Mr. LANTOS, Mr. LEVIN of

Michigan, Mr. LEWIS of Georgia, Mr. MANTON, Mr. MARTINEZ, Mr. MAVROULES, Mr. MFUME, Mr. MINETA, Mr. MOAKLEY, Mrs. MORELLA, Mr. NOWAK, Ms. OAKAR, Mr. OLIN, Mr. OWENS of New York, Mr. PENNY, Mr. PERKINS, Mr. PICKETT, Mr. RAHALL, Mr. RICHARDSON, Mr. ROE, Miss SCHNEIDER, Mr. SIKORSKI, Mr. STAGGERS, Mr. STOKES, Mr. STRATTON, Mr. TALLON, Mr. TOWNS, Mr. VENTO, Mr. WAXMAN, Mr. WEISS, Mr. WILSON, Mr. YATES, and Mr. YATRON.

H.J. Res. 196: Mr. PASHAYAN, Mr. HORTON, Mr. DOWDY of Mississippi, Mr. GRAY of Illinois, Mr. SOLARZ, Mr. HATCHER, Mr. PORTER, Mr. MANTON, Mr. FUSTER, Mr. TRAFICANT, Mr. STUMP, Mr. TAUKE, Mr. KASTENMEIER, Mr. DYSON, Ms. SLAUGHTER of New York, Mr. PEPPER, Mr. ERDREICH, Mr. FAUNTROY, Mr. COYNE, Mr. HALL of Texas, Mr. GUARINI, Mrs. BOXER, Mrs. JOHNSON of Connecticut, Mr. WORTLEY, Mr. DAVIS of Illinois, Mr. LIPINSKI, Mr. NEAL, Mr. WILSON, Mr. CHAPMAN, Mr. BIAGGI, Mr. LEVIN of Michigan, Mr. MRAZEK, Mr. SKELTON, Mr. PRICE of North Carolina, Mr. ANDERSON, Mr. SMITH of Florida, Mrs. LLOYD, Mr. BRYANT, Mr. McGRATH, and Mr. FORD of Tennessee.

H.J. Res. 201: Mr. BURTON of Indiana, Mr. KASICH, Mr. RAHALL, Mr. HYDE, Ms. KAPTUR, Mr. STARK, Mr. EVANS, Mr. McDade, Mr. YATRON, Mr. DELLUMS, Mrs. VUCANOVICH, Mr. FOLEY, Mr. VENTO, Mr. McEWEN, Mr. BLILEY, Mr. GALLO, Mr. CARDIN, Mr. RITTER, Mr. BARTLETT, Mr. SUNDQUIST, Mr. FRANK, Mr. LATTI, Mr. BROOKS, Mr. OWENS of New York, Mr. TALLON, Mr. McMILLEN of Maryland, Mr. HUBBARD, Mr. RAVENEL, Mr. DE LA GARZA, Mr. SABO, Mr. MARTINEZ, Mrs. PATTERSON, Mr. JONES of Tennessee, and Mr. WEISS.

H.J. Res. 204: Mr. SKELTON, Mr. TRAFICANT, Mr. BLAZ, Mr. REVENEL, Mr. KILDEE, Mr. BOUCHER, Mr. BONER of Tennessee, Mr.

McDade, Mr. TRAXLER, Mr. WOLF, Mr. SOLARZ, Mr. SYNAR, Ms. OAKAR, Mr. FAUNTROY, Mr. HATCHER, Mr. HAYES of Louisiana, Mr. CROCKETT, Mrs. COLLINS, Mr. OBERSTAR, Mr. HEFNER, Mr. LAGOMARSINO, Mr. GARCIA, Mr. OWENS of New York, Mr. LIPINSKI, Mr. OLIN, Mr. DAUB, Mr. KOSTMAYER, Mr. DE LA GARZA, Mr. WYDEN, Mr. DAVIS of Illinois, Mr. SUNIA, Mr. ROBINSON, Mr. CONTE, Mr. VALENTINE, Mr. FUSTER, Mr. WORTLEY, Mr. NIELSON of Utah, Mr. DeWINE, Mr. ROE, Mr. McGRATH, Mr. MRAZEK, Mr. SISISKY, Mr. GALLO, Mr. YATRON, Mr. TOWNS, Mr. CAMPBELL, Mr. SCHUETTE, Mr. SMITH of Florida, Mr. AKAKA, Mr. HALL of Texas, Mr. GRANDY, Mr. GUARINI, Mr. HUCKABY, Mr. DWYER of New Jersey, Mr. WALGREN, Mr. LEVIN of Michigan, Mr. VENTO, Mr. VOLKMER, Mr. BEVILL, Mr. PERKINS, Mr. TALLON, Mr. JOHNSON of South Dakota, Ms. SLAUGHTER of New York, Mr. HORTON, Mr. BIAGGI, Mr. JEFFORDS, and Mr. RAHALL.

H. Con. Res. 10: Mr. CRAIG.

H. Con. Res. 28: Mr. ACKERMAN, Mr. HAYES of Illinois, Mr. VENTO, Mr. WELDON, Mr. TALLON, Mr. STALLINGS, and Ms. KAPTUR.

H. Con. Res. 54: Mr. WISE, Mr. MARTINEZ, and Mr. KOLBE.

H. Con. Res. 55: Mr. STUMP.

H. Con. Res. 60: Mr. ATKINS, Mr. SWEENEY, Mr. DEFazio, Mr. MAVROULES, Mr. STOKES, Mr. ACKERMAN, Mr. SCHEUER, Mr. SAWYER, Mr. DORNAN of California, Mrs. BOXER, Mr. DYSON, Mr. CARDIN, Mr. FROST, Mr. DERRICK, Mr. WAXMAN, and Mr. LEHMAN of Florida.

H. Con. Res. 62: Mr. DICKS.

H. Con. Res. 63: Mr. GORDON, Mr. SCHEUER, Mr. EDWARDS of California, Mr. TORRES, and Mr. KOLBE.

H. Res. 23: Mr. CRAIG.

H. Res. 68: Mr. SLAUGHTER of Virginia, Mr. KANJORSKI, Mr. RIDGE, and Mr. CLINGER.